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Southeast Asia Report

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U.S. SHIP ARRIVALS GENERATE PROTESTS, SCUFFLES, ARRESTS

Protest in Adelaide

BK080852 Melbourne Overseas Service in English 0830 GMT 8 Jun 86

/Text/ Antinuclear demonstrators in Adelaide have delayed the docking of the American ship "Joseph Strauss" which is making a goodwill visit to Australia. One protestor jumped into the water at Port Adelaide and swam between the ship and its berth holding up the docking by about 15 minutes. He was arrested and charged with disorderly conduct.

Radio Australia's Adelaide office says there were also scuffles between rival demonstrators on the wharf which resulted in at least one arrest.

The "Joseph Strauss" is a guided missile destroyer with a crew of 250. The ship yesterday assisted in a ceremony on Kangaroo Island, south of Adelaide, marking South Australia's 150th birthday. The destroyer is in Adelaide until Wednesday.

Arrests in Melbourne

BK090855 Melbourne Overseas Service in English 0830 GMT 9 Jun 86

/Text/ Several people have been arrested in Melbourne during clashes between police and antinuclear demonstrators at a protest against a visiting U.S. warship. The trouble began when a few demonstrators threw paint on the side of "USS Rathburne" which is docked in Melbourne on an informal 3-day visit.

Police raced into the crowd of about 400 demonstrators and took several people away to a waiting police van. Scuffles then continued for more than half an hour as police tried to clear a path for the van through the demonstrators who refused to move from the roadway.

Police reinforcements were called in and eventually the van sped from the dockyard. Five men and two women were charged with hindering police and resisting arrest and bailed to appear in court in September.

/12228
CSO: 4200/1126

LEGISLATION ON INTELLIGENCE SERVICES SUBMITTED

BK100753 Sydney THE AUSTRALIAN in English 23 May 86 p 6

/Article by Alan Fewster/

/Text/ The attorney general, Mr Bowen, yesterday introduced a package of legislation designed to improve the accountability of Australia's intelligence services and reduce the likelihood of their activities abusing human rights.

The Australian Security Intelligence Organization (ASIO), Amendment Bill 1986, establishes a parliamentary committee to watch over ASIO's operations, and the inspector general of Intelligence and Security Bill, 1986, follows a recommendation of the Hope Royal Commission into intelligence services.

The parliamentary joint committee on ASIO will comprise seven members nominated after consultation between the leaders of the main parties. It will have a majority of government members, and most will be from the House of Representatives.

The committee will review and report on aspects of ASIO's activities referred to it by the attorney general or either house of Parliament.

Mr Bowen told Parliament the committee would not operate as a grievance mechanism, nor would it review "operationally sensitive" matters.

The bill also enables the committee to ask the attorney general to refer a particular matter to it. The committee would be able to obtain information and documents from ASIO.

Mr Bowen said the government believed these powers gave a proper balance between greater parliamentary involvement in the oversight of ASIO, and the executive's ability to make sensitive information more widely accessible.

Following the recommendations of the Hope report, the term "subversion has been deleted from the definition of "security" and there is a tigher definition of "politically motivated violence."

Mr Bowen said that without detracting from ASIO's effectiveness, the new definitions would concentrate ASIO's attention on unlawful violence directed at undermining Australia's system of government.

The new definition of "politically motivated violence" also covers terrorism and threats or acts causing unlawful harm to achieve a political end.

The new definition also spells out the kind of outside foreign interference that would be a legitimate matter of security concern.

ASIO has been empowered to collect foreign intelligence in Australia, but it can only be obtained under the written warrant of the attorney general, following a request by the minister for foreign affairs or the minister for defense.

Strict controls would be put on the communication of foreign intelligence, and provision is made for minimizing the retention of information not publicly available on Australian citizens or permanent residents.

There are also provisions, proposed by Mr Justice Hope, designed to strengthen ministerial control over ASIO. The bill spells out that the ASIO director general is subject to the minister.

Mr Bowen said this meant the minister's authority over ASIO was paramount.

But there are two qualifications to this. First, the minister is not empowered to override the director general's opinion concerning the nature of the advice which should be given by ASIO. Second, the minister is not empowered to override the director general on whether the collection or communication of intelligence on a person is justified, except by written direction.

The act would also have a new provision authorizing the minister to give the director general written guidelines on any of its statutory functions and powers.

Areas to be covered by the guidelines include: intelligence collection, targeting, review of file holdings, and the extent to which ASIO should be involved in investigating activities relating to the hindering of defense force functions.

The Security Appeals Tribunal has also been given more teeth, with amendments including:

Precise definitions of adverse and qualified security assessments.

Discretion to make an order against the Commonwealth for costs incurred by an applicant successful in a review application. The bill also provides for extending the effects of publicizing an ASIO's officer's identity.

Changing the employment provisions of ASIO staff.

A statutory requirement for an annual report to be tabled in Parliament.

The director general to delegate his powers relating to staff or financial management.

The inspector general of intelligence and security will inquire into the propriety and effectiveness of ASIO, the Australian Secret Intelligence Service (ASIS), the Defense Signals Directorate (DSD), the Joint Intelligence Organization (JIO) and the Office of National Assessments (ONA).

/12228
CSO: 4200/1126

AUSTRALIA

BRIEFS

BOUNDARY TALKS WITH INDONESIA--Negotiations on a seabed boundary between Australia and Indonesia will resume in Jakarta later this month. The talks were postponed last month at the height of a row between Canberra and Jakarta stemming from the publication of a Sydney newspaper article on the financial dealings of President Suharto and his family. Radio Australia's Singapore correspondent, John Lombard, says official sources have confirmed that the eighth round of the negotiations has now been rescheduled for Jakarta on 26 and 27 June. [Text] [Melbourne Overseas Service in English 0130 GMT 11 Jun 86 BK] 12228

CSO: 4200/1126

TELECOMMUNICATIONS MINISTER VIEWS SATELLITE LAUNCH SCHEDULE

BK040158 Hong Kong AFP in English 0149 GMT 4 Jun 86

[Article by Jacques Guillon]

[Text] Jakarta, June 4 (AFP)--With the U.S. and European satellite launch programs in trouble, Indonesia is reviewing its entire telecommunications network plans, a top official told AGENCE FRANCE-PRESSE.

Achmad Tahir, Minister of Tourism, Posts and Telecommunications, said Jakarta would have to quickly add a satellite to its launch schedule, delay the launch of a more advanced model and look for alternative launch vehicles.

It was also considering dropping insurance coverage for its satellite launches because of the high cost and low return, Mr Tahir said.

Indonesia, whose 13,000 islands stretch 5,000 kilometres east to west across the equator, finds its telecommunications network jeopardized by recent delays in launching a new satellite and by problems with previous orbiters.

It is pressing the United States for an early launch of its Palapa-B2-P, which fell victim to the suspension of shuttle flights after the Challenger disaster in January.

But it must also add a new, previously-unscheduled satellite to the network by 1990 to replace the Palapa-B1 which used up a considerable amount of fuel when its orbit was corrected last year.

Reliable sources said the satellite had not yet been chosen, although one possibility would be to buy back Palapa-B2 which one shuttle failed to get into proper orbit but a subsequent shuttle retrieved and brought back to earth.

Other possibilities would be to commission a new Palapa-B from Hughes Aircraft or to go ahead and call for bids on a third generation Palapa-C--which would pit international telecommunications companies in a market previously the preserve of the United States.

Mr Tahir expected the country's plans for high-capacity, third-generation Palapa-C satellites to be delayed by three years, to 1995.

"As far as the schedule is concerned, we must review all the program. We don't need them in 1992 because we hope to have two active satellites at this time," he said.

Currently, telecommunications are ensured by Palapa-B1, which rotated 10 degrees last August and left three-fourths of Indonesia without links to Jakarta for four days.

"To put it back, we have used fuel, and some calculations indicate that we lost two years. Originally, the time of service was 1992 and because of that anomaly, we have to face the possibility that the service will end by 1990," Mr Tahir said.

The U.S. National Aeronautics and Space Administration (NASA) is to advise Indonesia around June 10 of a launch date for the Palapa-B2-P, probably using a Delta rocket, which malfunctions on liftoff at its last launch.

For subsequent launches, Jakarta may turn to Europe's Ariane rocket--which also suffered a failed launch on its last outing--or to the Japanese, if either can offer a better price, Mr Tahir said.

The latest Delta and Ariane failures meant higher insurance rates for launches, Mr Tahir said.

Insurers had informed Jakarta there would be a $65 million ceiling on reimbursements, while insurance premiums would rise to about 30 percent of that figure.

Premiums could be expected to go up further, he said, adding: "maybe we are going to self-insure for the next launch."

Any new satellite failure might force Indonesia to reactivate its old A2, still in orbit after its 1976 launch. It was regularly checked, Mr Tahir said, and could provide a fallback for partial, short-term replacement of B-1.

Despite the problems, satellite telecommunications cost about 10 times less than land links, the minister noted.

"As we see it, we are in a grave situation. We hope that advanced countries could overcome these technical problems for us to be able to use space for peaceful purposes," he said.

/9716
CSO: 4200/1107

BERNAMA REPORTS MALAYSIA'S LEONG TALKS ON TIN

BK310949 Kuala Lumpur BERNAMA in English 0918 GMT 31 May 86

[Article by Osman Taib]

[Text] Jakarta, May 31 (BERNAMA)--Malaysia and Indonesia have agreed on the need to strengthen the Association of Tin Producing Countries (ATPC) especially in the areas of market intelligence, research and development activities.

Towards this end, the two countries will invite Brazil and China--the two most important non-ATPC members--to participate in the ATPC ministerial meeting to be held in Indonesia in October, Malaysian Primary Industries Minister Paul Leong said here Saturday.

"We feel that it would be beneficial to get the two countries into the ATPC," he told a press conference before leaving for home.

Leong said he would liaise with China on this while the Indonesian Mines and Energy Minister Subroto would contact Brazil.

He said he held discussions with Indonesian ministers on various issues relating to commodities during his three-day visit.

The two sides agreed that regular discussions between Indonesia and Malaysia were most useful to both countries.

Leong said as regards to the future of the International Tin Council (ITC), he discussed with Subroto the possibility of the organisation becoming a study group to collect various important data on the tin industry.

"We feel that more determined efforts are required on the part of major commodity producers to tackle the pressing problems," he said.

"We also feel that cooperation among commodity producers is of utmost importance to overcome depressed commodity prices."

Leong said both sides agreed that given the present scenario, commodity issues must be given urgent attention at the next ASEAN economic ministers' meeting.

He said in this respect, his discussions here were significant since the ASEAN economic ministers have to prepare the groundwork for the third ASEAN summit to be held in mid-1987.

Leong also briefed the Indonesian ministers on the proposed international seminar on commodities to be held in Kuala Lumpur in July. The five-day seminar could result in new ideas and directions for the commodities sector.

The objective of the seminar is to consider new approaches and seek practical measures to meet the challenges currently facing commodity producing countries.

Leong said the commodities that would be covered include natural rubber, edible oils, cocoa, coffee, tea, rice, sugar, timber and minerals.

"As a major producer of certain primary commodities, the participation by Indonesia is important", he added, saying that Thailand and the Philippines would also be invited to participate.

He said key figures from the IMF, UNCTAD, FAO, International Rubber Study Group (IRSG), the United States, Japan and the European community have been invited to address the seminar.

"It is our hope that the seminar will provide a critical assessment of the existing systems and approaches in order to introduce new ideas and proposals that could be considered for adoption as renewed efforts towards international cooperation in the field of commodities", he said.

Leong said if the findings of the seminar were useful they could possibly be used as a basis for discussion at the next ASEAN economic ministers' meeting.

/9716
CSO: 4200/1107

SUBROTO SEES OIL PRICE RISE IN 1986

OW050557 Tokyo KYODO in English 0545 GMT 5 Jun 86

/Text/ Tokyo, 5 Jun KYODO--Indonesian Minister for Mining and Energy Subroto, addressing the opening session of an international energy conference here Thursday, said that the tendency in oil prices from now on "will definitely be up and with a market share OPEC can live with."

Subroto, taking part in a 3-day conference hosted by the International Association of Energy Economists (IAEE), said that he considered 18-20 dollars per barrel of crude as a reasonable price level to aim for within 1986.

The minister explained that the fair market share policy initiated by the Organization of Petroleum Exporting Countries (OPEC) is already showing progress. OPEC's current output has already exceeded its self-imposed ceiling of 16 million barrels per day, he said.

"After having achieved this goal, OPEC has reinstated its policy to again, in principle, defend the 28 dollar per barrel price level," he said, adding, "OPEC is now shooting for a gradual increase of prices to a reasonable level before the end of this year."

The fair market share policy, introduced by OPEC last December, is an "act of self-defense" to protect OPEC interests in the wake of increased non-OPEC crude oil output, according to Subroto.

Subroto, one of the main speakers at the conference scheduled to run until Saturday, also told participants that OPEC wants a balance in the supply-demand situation to restore prices and is inviting non-OPEC oil producers once again to cooperate in stabilizing prices at satisfactory levels.

"Just as 35-40 dollars per barrel oil was not a viable long-term price, neither is 10 dollar oil," he said, warning that continued low prices would affect exploration, development of alternative energy sources and non-OPEC oil production.

Some 300 participants are taking part in the conference to discuss energy-related topics in the area of oil, gas and nuclear power generation.

IAEE Chairman Jane Carter and Masao Sakisaka, chairman of Japan's Institute of Energy Economics, are among those taking part in session discussions.

/12228
CSO: 4200/1122

INDONESIA

BRIEFS

MORE OIL DISCOVERED--Jakarta, 2 Jun (ANTARA/OANA)--Pertamina's production-sharing contractor Hudbay Oil Malacca Strait Ltd. recently discovered oil at the capacity of 2,667 barrels per day and gas at the volume of 40 million cubic feet per day on Padang Island in the Malacca Strait, about 35 km southeast of Sungai Pakning, Riau, the public relations office of Pertamina announced Monday. The discovery of oil and gas was made after drilling into the depth ranges of 1,497-1,503 meters and 1,506-1,509 meters, the announcement said. For a temporary period, the exploration well discovered by Hudbay was closed, ready to produce at any time in the future. Hudbay has been producing oil in Indonesia since its Lalang Oil Field was inaugurated by President Suharto on 25 July 1984, with the initial production of 35,000 barrels per day. /Text/ /Jakarta ANTARA in English 0736 GMT 2 Jun 86 BK/ 12228

TRANSMIGRATION MINISTER ON PROGRAM--Jakarta, 6 Jun (OANA/ANTARA)--The implementation of the transmigration program either on the resettlement or allocation has in terms of quantity been successful, but in terms of quality, it still needs improvement, said Minister of Transmigration Martono Friday. Until 1 April this year, some 305,178 families have been resettled, exceeding the target of 260,000 families, he said. Martono pointed out that the target of transmigration resettlement in the 1st year of the Fourth 5-Year Plan (1984-1989) was fixed at 125,000 families and 135,000 families in the 2nd year. "But the performance has exceeded the target," he added. However in terms of quality he continued, this performance must still be improved from year to year particularly in such areas as services, guidances and the arrangement of departure and allocation. The minister noted that in the present condition of the state's gloomy financial position, the transmigration program also required some adjustments. /Text/ /Jakarta NATARA in English 1356 GMT 6 Jun 86 BK/ 12228

CSO: 4200/1122

PASASON TERMS THAI-U.S. EXERCISE 'PROVOCATION'

BK211321 Vientiane KPL in English 0926 GMT 21 May 86

/Text/ Vientiane, 21 May (KPL)--The U.S.-Thai joint military exercises "Logex 29" have begun on 19 May in proximity of the Kampuchean-Thai border and will last till 23 May. This new war game did not only prove the increasing of the collusion between Beijing and Washington but it also clearly showed the new dangerous step in the military alliance between Washington and Bangkok, PASASON paper said in a commentary today.

As everyone still remembers, after its shameful defeat of their aggressive war against the Indochinese countries in 1975, Washington developed their strategic alliance with the Beijing expansionists and hegemonists so as to pave the way to their comeback in Southeast Asia, PASASON notes.

To this aim, the United States has exploited the so-called "Kampuchean problem" and used it as a pretext to mask its real warmongering nature and to deteriorate the situation in the region.

The military alliance between Washington and Bangkok has been all round developed and reached a new stage. Washington's collusion with the international reactionaries and its participation with Beijing in the undeclared war against Kampuchea are the main cause of tension in Southeast Asia, PASASON stressed.

Using Thailand as a vanguard post to undermine the revolution in the three Indochinese countries and basing on the fact that Thailand used to be a U.S. base during the period of the aggressive war against Indochina, the Bangkok and Washington military alliance is becoming more and more dangerous.

Under the U.S. pressure, the Thai reactionaries have tremendously increased their annual military budget. They also bought modern armaments from Washington such as F-16 bomber-fighter, a-100, mobile radar system "fight finder" /fire-finder/ and others, disregarding the Thai people starvation.

Worse Bangkok and Washington are studying a project to build up an arm depots in Thailand to provide armaments to a possible action of the "U.S. Rapid Deployment Fofces" in the region. The U.S.-Thai military exercise "Logex 29" which took part in the proximity of the Thai-Kampuchean borders is a provocation and a direct threat against the P.R. of Kampuchea, the paper concluded.

/12228
CSO: 4200/1104

LAOS

PASASON VIEWS DISMISSAL OF THAILAND GENERAL ATHIT KAMLANG-EK

BK301144 Vientiane KPL in English 0914 GMT 30 May 86

/Text/ Vientiane, 30 May (KPL)--The royal decree on the dismissal of General Athit Kamlang-ek from the post of army commander of the Royal Thai Army was a lightning at the arrogant general, PASASON says today in an article.

The article writes:

"What is the reason behind the royal decree which deprived Athit of his office as army commander though he is going to meet his term on 31 August. As simple as it could be, the only reason is that the best defensive measure to be taken by Premier Prem Tinsulanon to launch an attack at the most unexpected time. Another reason which could also explain this pre-election move is that the most elementary tactics of a clever politician such as Prem is not to let his political enemy at a too important post and particularly in an office where the latter could control all the military forces in his own hand. Since the day when Prem has courageously decided not to prolong the office term of Athit, the latter has toned down his arrogance and was trying to ameliorate his political credit but in fact it is too late."

The paper points out:

"Only one point is unanimously shared by the Thai politicians is that the arrogance and ambition of this general could only harm the interest of the nation. His close connection with the interest of the imperialists and expansionists in the region is a clear danger for Thailand and its people. It is well known that Athit serves faithfully the scheme of the expansionists in its effort to extend its influence southward. In this line, the tension atmosphere with all the neighboring countries and particularly with those at the eastern borders has been caused by Athit Kamlang-ek."

"This measure is politically a clever step because it is obvious that if Athit becomes prime minister of Thailand, this country and its people will have to suffer war, sorrow and hostility due to the confrontation and adventurous policy of Athit."

/12228
CSO: 4200/1104

BRIEFS

COOPERATION WITH SRV PROVINCE—Vientiane, 21 May (OANA-KPL)—Medical workers of the southern Savannakhet Province, since last March, have developed their cooperation with their Vietnamese colleagues of Binh Tri Thien Province to carry out a joint research on medicinal herb in Phin and Khanthabouli Districts. So far, they have gathered more than 400 kinds of herbs which could be used in treating cold, cough, stomach ache and other kind of diseases. Now Savannakhet and its twin province Binh Tri Thien of the SRV are further more strengthening their cooperation in developing the traditional medicine. /Text/ /Vientiane KPL in English 0915 GMT 21 May 86 BK/ 12228

ITALIAN MEDICAL AID—Vientiane, 22 May (KPL)—The Government of Italy on 20 May handed over 17 /metric/ tons of medicines worth U.S.$150,000 to the Lao PDR. This is the first of ever batch of aid Laos has received from Italy. The handover ceremony was proceeded by the ambassador of Italy to Laos, Francesco Guariglia, and the deputy minister of public health, Ponmek Dalaloi. /Text/ /Vientiane KPL in English 0906 GMT 22 May 86 BK/ 12228

SOVIET BOOK DONATED—Vientiane, 26 May (OANA-KPL)—The Soviet Embassy to Laos has provided on 24 May, the Ministry of Culture and the educational scientific centre with hundreds of books. These included books on politics, culture, science and technology and textbooks in Lao, Russian, French and English languages. Somsi Desakhamphou, deputy minister of the culture, thanked the Soviet Embassy for its donation and described it as an important contribution to improve the knowledge of Lao pupils, students, cadres and people of all strata. Each year the Soviet Union publishes more than 270,000 books in Lao language. /Text/ /Vientiane KPL in English 0905 GMT 26 May 86 BK/ 12228

PHOTOS OF BYELORUSSIAN SSR—Vientiane, 25 May (KPL)—The Laos-USSR Friendship Association in collaboration with the Soviet Cultural Centre opened here yesterday a photo-exhibition under the title: "Byelorussia—Land and People." The photos exhibited reflect the prosperous and beautiful land of the Byelorussian Soviet Socialist Republic and its labourous inhabitants. Yuri Ivanov, a photo-reporter of the NOVOSTI news agency who is based in Byelorussia is the author of those photos. Thongsavat Yamani, vice chairman of the State Committee for News Agency, Newspaper, Radio and TV was present at the opening ceremony of the exhibition which is to be opened till 27 May. /Text/ /Vientiane KPL in English 0905 GMT 25 May 86 BK/ 12228

AIR FORCE TRAINING CENTER--Vientiane, 27 May (KPL)--The Air Force high-command recently inaugurated here a training centre /for/ its air force personnel. In his opening speech, the air force commander-in-chief said that permanent training is of a prime importance for all air force personnel. He appealed /to/ the officers and men to concentrate all their effort in improving their ability in all fields in order to make the air force an efficient corps in the national defense system. /Text/ /Vientiane KPL in English 0855 GMT 27 May 86 BK/ 12228

ROUTE NO 13 REPAIR COMPLETED--Vientiane, 27 May (KPL)--The reparation of a portion of 45 km of the National Highway No 13 in the southern Savannakhet Province has been completed. The project was launched in mid-May which got involved more than 10,00 inhabitants of Outhoumphon District, Savannakhet Province. Within this period of time, they have repaired 13 bridges and cleared up bushes along the road. The southern portion of the road with 115 km long was undertaken by people of Khanthabouli, Champhon and Songkhon Districts, Savannakhet Province, from beginning of last March. /Text/ /Vientiane KPL in English 0901 GMT 27 May 86 BK/ 12228

VIENTIANE PARTY COMMITTEE SESSION--Vientiane, 21 May (KPL)--The widen /as received/ session of the executive committee of the Vientiane province Party Committee was closed here on 17 May, after 3 days of intensive discussion. The meeting was chaired by Lieutenant General Siphon Phalikhan, member of the party CC who is also secretary of Vientiane province Party Committee. The meeting reviewed the first 3 months' achievements and worked out a plan for the rest of 1986. The meeting then adopted a resolution calling for the reinforcement of the national defense and socialist construction tasks. The meeting was attended by more than 100 delegates coming from various districts of Vientiane Province. /Text/ /Vientiane KPL in English 0904 GMT 21 May 86 BK/ 12228

VIENTIANE CITY DELEGATION--Vientiane, 27 May (KPL)--Kongpheng Soukthavong, member of the Vientiane party Standing Committee and deputy mayor of Vientiane city, left here on Saturday to Hanoi. During its stay there, the Lao delegation will sign agreements on trade cooperation for the period of 1986-87 with Hanoi and Ho Chi Minh City. /Text/ /Vientiane KPL in English 0853 GMT 27 May 86 BK/ 12228

FRONT DELEGATION RETURNS--Vientiane, 30 May (KPL)--A delegation of the Lao Front for National Construction headed by Boualang Boualapha, member of the LPRP CC, vice president of the front, was back home on 27 May after having paid an official visit to the GDR and the People's Republic of Bulgaria /PRB/. While in the GDR, the Lao delegation met with the leading committee of the National Front of Democratic Germany and visited some production bases. In the PRB the Lao delegation took part in the 35th Congress of the Bulgarian Agrarian Party, which was held from 19 to 21 May, and a conference on world peace and stability which was organized from 22 to 23 May in Sofia. /Text/ /Vientiane KPL in English 0905 GMT 30 May 86 BK/ 12228

PRIVATE U.S. AID--Vientiane, 31 May (KPL)--The U.S. private organization /World Concern/ handed over here today agricultural tools worth 8,000 U.S. dollars to the National Committee for Social Welfare and War Veterans. The handover ceremony was conducted by Khamsing Latsanbat, head of the office of the National

Committee for Social Welfare and War Veterans, and David I. Andrianoff, the representative of the above organization office to the Lao PDR. Last year, the "World Concern" provided the Lao above committee with domestic animals. /Text/ /Vientiane KPL in English 0909 GMT 31 May 86 BK/ 12228

UNDP REPRESENTATIVE COURTESY VISIT--Vientiane, 15 May (OANA-KPL)--The UN Development Programme (UNDP) will increase its assistance in the rural development in the Lao PDR, stated the representative of the UNDP office here, Per Hakam Janvid /name as received/ during his courtesy visit to Nouhak Phoumsavan, Politburo member of the LPRP CC, first vice chairman of the Lao PRD. Among other projects to be further given to Laos by the UNDP are the development of communication network, technical training, and economic and social development projects. During the cordial meeting, N. Phoumsavan expressed thanks to the UNDP for its aid given to the Lao PRD in the past as well as at the present time. /Text/ /Vientiane KPL in English 0903 GMT 15 May 86 BK/ 12228

CSO: 4200/1104

OPM THREATENS SABOTAGE ALONG BORDER

Port Moresby PAPUA NEW GUINEA POST COURIER in English 26 May 86 p 9

[Article by Angwi Hriehwazi]

[Text] OUTLAWED OPM rebels have threatened to sabotage Government property along the border.

OPM has claimed responsibility for the fire that destroyed a house belonging to the officer in charge of the Wutung border post in West Sepik.

The daylight May 17 fire destroyed K3000 in property owned by "Kiap" Moses Remene.

"We will step up the operation to include Papua New Guinea government property if we are continously harassed by police," an OPM (West Papua Freedom Movement) activist is reported to have said.

Border sources said a high-ranking OPM official visited "contacts" in Vanimo on the night of May 21.

According to reports the "rebel" said OPM was "fed up of being continuously harassed by police".

"He also said OPM was upset with recent statements by the PNG Defence Force commander Brig Gen Tony Huai that he had agreed with Indonesia's General Benny Murdani to wipe out people who are struggling for freedom," a border source said.

He claimed PNG police had on many occasions crossed into Indonesian territory in pursuit of OPM rebels.

"We do not want police to cross on to our side of the border and hunt for us. We should be left alone," the OPM man had said, according to the source.

He cited a case on May 21 when Vanimo police patrolled the border near the Wutung village in search of OPM rebels.

About 300 rebels — armed with bows and arrows — were sighted two days earlier in the jungle near the village.

Two months ago OPM rebels broke into Bewani police armory and stole several guns.

/9274
CSO: 4200/1111

PHILIPPINES

DURANO POSTELECTION ACTIVITIES, ECONOMIC INFLUENCE REPORTED

Bangkok THE NATION in English 29 May 86 p 13

[Article by Graham Lovell]

[Text] DANAO, Philippines — Political strongman Ramon Durano, 80-year-old semi-feudal ruler of more than he surveys on the island of Cebu, says he has quit Philippine politics.

He took out a full-page advertisement in a local newspaper to announce his retirement shortly after his ally at the top, President Ferdinand Marcos, was pushed from power and fled to the United States.

The advertisement said Durano had forgiven those who maligned and harmed him during his long political career and asked the forgiveness of those he might have inadvertently maligned or harmed himself.

But the fledgling government of President Corazon Aquino is not so sure. Durano is looked on as one of the powerful "warlords" with private armies of bodyguards and enforcers who have long dominated rural Philippine politics.

She has ordered the military to disarm the armies, including Durano's.

Durano, not noticeably shy of the press in the past, would not speak to me although I pursued him for an interview at his house overlooking the Cebu Strait and at his many business enterprises in Danao.

But his oldest son, Ramon Junior, said that after 60 years building a political and industrial empire, which he ran almost as a personal fiefdom, his father now just wanted to attend to his business affairs.

He also said his father did not have a private army. He had surrendered his weapons — "apart from a few shotguns" — to the authorities shortly after Aquino came to power in February.

"My father has a security agency," young Durano said. "It is hired by big companies for security work, not for political purposes.

"Our opponents compare us with Ali Dimaporo (governor of a southern Philippine province) but that's unfair. Dimaporo is using his forces for political purposes. We didn't."

Dimaporo was removed as governor of Lanao del Sur in March but has refused to go. The Mindanao military command said he has until the end of the Muslim fast of Ramadan on June 10 to surrender his firearms or it will launch a "police operation" against him.

Durano's name dominates this town of about 70,000 people, 30 kms north of Cebu, the provincial capital. Almost everyone seems to be dependent on him.

There is a Durano sugar mill and a Durano industrial and welfare estate, a Durano motorpool and a Durano welding and insulation company. He also has a large cement plant and runs a bakery. Outside town, the family has a firm grip on Cebu's coal mining industry.

With "cradle-to-grave" care for Danao, there are schools and hospitals bearing his name, the Ramon Durano Foundation Home for the Aged — with five-metre high busts of the popes in the forecourt — and the Ramon Durano Foundation Way of the Cross Cemetery.

The young Durano, 51, was mayor of Danao for 14 years until removed from office by the Aquino

Government in March. He described his father as "a political kingpin not a warlord."

"My father began his political career when he was 20 years old and people say that because of his long political career he was a political warlord, but he was not.

"During his career he never lost an election. We controlled one city and 11 towns (in Cebu). That's why he was called a political kingpin."

Another son was a member of the national assembly until the parliament was abolished by Aquino.

The newspaper advertisement, pasted on a patio wall in the old man's residence along with other newspaper cuttings about himself, recalls that Durano senior had worked with all the Philippine presidents since independence in 1946.

One of the cuttings notes that young Ramon, on his father's behalf, surrendered to the police more than 50 firearms, including high-powered rifles, in March.

The son, one of four brothers and three sisters, said: "We have been supporting Marcos since he ran for his first term of office until the last election.

"My father is close to Marcos politically but not in any other way. He was not a crony and we are not cronies (the name given to associates of the deposed leader alleged to have benefited from his presidency).

"Of course, I could work with President Aquino. We were one of the first to send her a telegram saying we would cooperate with her government and with her programmes."

Young Durano added, though, that he too was giving up politics "for a while."

His own 18-year political career included four years on the Cebu City Council.

He denied that his father's security agency men or other bodyguards had harassed Aquino supporters and others during the February election.

"The election here was peaceful although NAMFREL volunteers (workers for an independent poll-watching group) did try to come into town on a bulldozer," he said.

"The police prevailed on them not to, because it might have caused trouble. I know what they say, but there were no people harassing them.

"The US consul from Cebu and other US observers were here. The election was peaceful."

Durano senior's estate is shielded by a high wall topped with iron spikes and protected by at least two armed guards. But it's more like a vacation lodge than the home of a political baron.

Young Durano agreed that the family companies dominate Danao but said they did not include another major local industry — illegal gun-making.

Danao-made pistols — known as "baltiks" — are alleged by police to supply not only the Philippine underworld but also Japan's Yakuza gangs.

Other weapons manufactured here include assault rifles, machineguns and — during World War II — mortars for anti-Japanese partisans.

Said young Durano: "It's a local talent. The men go fishing, farming and coal mining and they make guns."

/9274
CSO: 4200/1118

JUDICIAL INQUIRY EXAMINES EXECUTIVE INTERFERENCE ALLEGATIONS

Jeyaretnam Refuses To Give Evidence

BK040400 Singapore Domestic Service in English 1400 GMT 4 Jun 86

[Text] The member for Anson, Mr J. V. Jeyaretnam, has refused to give evidence before the commission of inquiry to look into his allegations of interference by the executive arm of the government in a subordinate court's judiciary. Earlier in March he had agreed to such an inquiry led by a high court judge, as proposed by the prime minister in parliament, to examine the basis of his allegations.

Mr Lee Kuan Yew had proposed the inquiry after Mr Jeyaretnam wanted examined the circumstances of the transfer of Mr Michael Khoo from his appointment as senior district judge to the post of senior state counsel in the attorney-general's chambers. However, when the inquiry began today Mr Jeyaretnam raised several issues. He questioned whether it was proper to have a commission of inquiry to look into statements he made in parliament where he had parliamentary privilege. He contended that such statements could not be questioned or impeached outside the House.

He told the commissioner, Mr Justice T. S. Sinnathuray that by investigating the allegations, he could be punished for contempt of parliament.

Mr Justice Sinnathuray said that there was a disctinction between inquiry into the evidence for the allegations and the allegations made in parliament.

Mr Jeyaretnam decided against giving evidence when he failed to get an assurance from the commission that certain witnesses would be called and be subject to his cross-examination if he agreed to waive the right to parliamentary privilege and testify.

The first witness to give evidence to the inquiry was the chief justice, Mr Wee Chong Jin. He said that no member of the executive had ever interfered with his duties and powers. In particular, he said, in respect of the transfer of Mr Michael Khoo from the post of senior district judge in 1984, there had never been any request for or interference in the transfer of Mr Khoo.

Chief Justice Wee said the transfer was decided by him as president of the Legal Service Commission and head of the judicial branch of the legal service and in consultation with the attorney-general. He said he had come to the commission of inquiry to deny Mr Jeyaretnam's totally unfounded allegation.

The counsel for the commission, Mr Glenn Knight read a letter to him from the prime minister and the minister of law, Mr E. W. Barker. These were written in response to the counsel's letter to them. Mr Lee Kuan Yew said in his letter that he had never discussed nor sought the transfer of any member of the subordinate judiciary to the chief justice, the attorney-general, the chairman of the Public Service Commission, or any member of the Legal Service Commission. Mr Barker confirmed in his letter that he had not in any way interfered with the subordinate judiciary by arranging the transfer of district judges or magistrates for whatever reason. It was left entirely to the Legal Service Commission.

In his opening statement Mr Knight said Mr Jeyaretnam's allegations were grave. If not investigated and settled, they could undermine confidence in the judiciary with serious consequences.

The commission has now completed hearing on the first two terms of reference and will resume tomorrow morning to hear the closing statement from Mr Knight.

Inquiry Adjourns Indefinitely

BK041520 Singapore Domestic Service in English 1400 GMT 4 Jun 86

[Excerpt] The commission of inquiry into the allegation by the opposition member of parliament for Anson, Mr J. B. Jeyaretnam, of executive interference in a subordinate court's judiciary has adjourned indefinitely after 2 days of hearing. The adjournment is to allow the commission, Mr Justice Sinnathuray, to consider the term of reference and then to come to a decision.

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CSO: 4200/1108

PRASONG REACTS TO AMNESTY INTERNATIONAL CLAIMS

BK310151 Bangkok THE NATION in English 31 May 86 p 3

[Text] In the first official response to Amnesty International's allegation that the Thai military had tortured three Kampuchean refugees, a top security official yesterday dismissed the accusation and said the organization might have distorted the information on purpose to defame Thailand.

Prasong Sunsiri, secretary general of the National Security Council, told a press conference that he regretted Amnesty International (AI) had made the allegation and asked the organization to review its charge, which would cause harm to Thailand's image.

AI recently distributed a statement in London that four Kampucheans were detained by Thai border officers at Khao I-Dang camp in Prachin Buri after a group of armed Kampuchean bandits raided the camp. It said three of them were severely tortured and all were denied access to any legal process.

Prasang said, "I give the assurance that the three Kampucheans were not tortured, not even injured, and they are in good health. If anyone wants to meet the three, the National Security Council is willing to arrange the meeting."

He said the three were accomplices of the bandits who preyed on the Khao I-Dang Camp. Two attacks took place on 5 and 18 March during which one Thai ranger was killed and an other two wounded.

According to AK, the four Kampucheans were arrested on 21 March by officers of Task Force 80. The organization sent the statement, dated 6 May, to news media here to urge the Thai Government to set up an independent body to investigate the case.

The secretary general said the Thai military has people who will testify that the three Kampucheans collaborated with the bandits, Thai officials had thoroughly and correctly investigated the case, he said.

"I feel sorry that Amnesty International accused Thailand this way since Thailand has been very cooperative with the organization. The deed aimed to defame Thailand," he said.

Prasong also said Thailand sought assistance from the UN High Commissioner for Refugees (UNHCR) to intercede with third countries to resettle Kampuchean and Laotian refugees from Thai holding centres such as Khao I-Dang.

He said a survey would soon be taken of the 23,000 Kampucheans in Khao I-dang and those deemed ineligible for foreign resettlement would be sent to join 230,000 displaced Kampucheans in temporary camps along the Thai-Kampuchean border.

Prasong said he had asked the UNCHR to tell the Laotian Government that about 120,000 displaced Laotians in northeast Thailand were inegible for resettlement.

He said Thailand would be forced to take unspecified, unilateral measures to deal with its refugee burden if Lao or other countries did not resettle those refugees. He did not elaborate.

/12232
CSO: 4200/1102

SITTHI FETES PRC FRIENDSHIP DELEGATION

BK290743 Bangkok Voice of Free Asia in Thai 1030 GMT 27 May 86

/Text/ Deputy Prime Minister and Foreign Minister Air Chief Marshal Sitthi Sawetsila hosted a dinner reception in honor of Wang Zhen, honorary president of the China Association for International Friendly Contacts, who is visiting Thailand 25 May-5 June.

At the reception held at the Foreign Ministry on 26 May, Air Chief Marshal Sitthi delivered a speech in which he stressed close, neighborly ties between the two countries and the longstanding friendship between the two peoples. He noted that the long, uninterrupted relationship and the common cultural characterisitcs and traditions of the Thai and the Chinese people are a unique factor existing only between Thailand and China. This has certainly contributed to the close and profound friendship that has persisted between the two countries. Their mutual friendship is based on sincerity, adherence to the principle of peaceful coexistence, noninteference in each other's internal affairs, and mutual respect for each country's sovereignty and territorial integrity on the basis of international law and the UN Charter. The Thai foreign minister has always upheld this principle as a matter of policy. The 1st decade of diplomatic relations between Thailand and China has proved to be successful, establishing a firm foundation in political relations, trade, investment, tourism, and technical and cultural cooperation between the two countries.

The deputy prime minister and foreign minister expressed his confidence that the visit to Thailand by Mr Wang Zhen will contribute to the strengthening of relations between Thailand and China both at the government and people-to-people levels.

/12228
CSO: 4207/1106

SITTHI SAYS PREM 'UNLIKELY' TO RUN IN ELECTION

BK030231 Bangkok THE NATION in English 3 Jun 86 pp 1, 2

[Excerpts] Premier Prem Tinuslanon is unlikely to stand in the upcoming general election to avoid getting "involved in politics," Deputy Premier and foreign Minister Sitthi Sawetsila said last night.

Sitthi, speaking as leader of the Social Action Party (SAP), told the Foreign Correspondents' Club of Thailand (FCCT) at Dusit Thani Hotel that the latest he had heard from "my best sources" was that General Prem will not run in the polls.

But he added that he was not certain whether the premier would change his mind at the last minute. "If he plays politics, then he will have to compete (with other politicians)," he said.

He added that what Gen Prem wants now is to stay aloof of politics.

"In 1983, Gen Prem told me to run in the election, but he himself did not," Sitthi said half-jokingly.

Sitthi was fielding questions from members of the FCCT after delivering a speech on the directions and policy of the SAP.

Asked if the SAP would lobby for the resignation of Agriculture Minister Narong Wongwan and his deputy Barom Tanthian who left the SAP and defected to other parties, the foreign minister said the two ministers should step down from their posts "as a matter of political etiquette" since they were appointed ministers under the SAP quota.

The minister also denied news reports that he would raise the issue for discussion in the Cabinet or that he had assigned PM's Office Minister Chan Manutham to ask the two ministers to resign.

Premier Prem had earlier turned down Sitthi's proposal for the two SAP defectors to relinquish their posts, saying they should stay in office until the present government's term expires following the July election.

On speculations that the SAP might join the Democrats and Chat Thai Party in forming a post-election coalition government, Sitthi said no such deal was reached among the three major parties.

Chat Thai leader Major General Praman Adireksan had earlier floated the idea of the possible formation of the three-party coalition, saying the parties would likely control the majority House seats after the polls.

Democrat leader Phichai Rattakun later responded positively to Praman's idea and said he agreed to the proposal in principle but that things remained to be seen after the election.

The SAP leader remained non-committal when pressed whether the party would re-admit its dissident members who have defected to other parties, saying: "It depends on the party Executive Committee. But so far only one former dissident member has asked for new party membership." Sitthi, however, declined to name the former MP.

/12232
CSO: 4200/1102

SITTHI READY FOR 'HEAD-ON' CLASH WITH DEMOCRATS

BK260512 Bangkok THE NATION in English 26 May 86 pp 1, 3

[By THE NATION's Political Desk]

[Text] Social Action [SAP] leader Sitthi Sawetsila announced yesterday his party is ready for a "head-on collision" with coalition partner Democrat Party in the upcoming general election.

In an exclusive interview with THE NATION, ACM [Air Chief Marshal] Sitthi said he will contest against Marut Bunnak, a Democrat deputy leader and acting health minister, in Bangkok's Chinatown area of Samphanthawong.

SAP will also field candidates in Dusit (Constituency One) and Phaya Thai (Constituency Three) in the 27 July general election, he said.

The SAP leader also insisted during the interview that SAP defectors Narong Wongwan and Barom Tanthian must resign from the cabinet as a matter of political etiquette.

In another interesting twist, Sitthi said his party will remain "neutral" towards the "military friction."

Discussing SAP's relations with the Democrat Party, Sitthi said for the time being, the two parties "cannot cooperate with each other in the general election."

Informed sources said that Sitthi and Democrat leader Phichai Rattakun had locked horns in several elections. "There is no love lost between the two," said an informed source.

The defection by some SAP leading figures to the Democrat Party has also deepened the conflict between Sitthi and Phichai.

Sitthi, however, said that whether the two parties could patch up after the election remains to be seen.

Sitthi also said that he would wait and see whether Narong and Barom would resign as agriculture and deputy agriculture ministers. SAP had earlier named Narong and Barom as campaign directors for the North and the South before their defection.

"I will wait a while and if nothing happens, I will consider taking some action," he declared.

Informed sources close to Sitthi said that the deputy prime minister had made known his opposition to Narong's decision to transfer the director general of the Royal Irrigation Department last week. He has also informed Prime Minister Prem Tinsulanon of his stand against the retention of Narong and Barom in the important portfolios.

The deputy prime minister, though embittered over what his aides described as political "sabotage" attempts against him, said that now that "the house had been cleaned," the party will work for the fierce competition ahead.

SAP, he said, will embark upon a campaign to bring about a "new look" for the party.

SAP without M.R. Khukrit Pramot will stress, among other things close contacts with the people, an across-the-board cutback on tax, the elimination of tax duplication, simplification of investment procedures, and the creation of jobs.

He said that the party will maintain the Tambon Fund project initiated by former leader M.R. Khukrit Pamot because it has helped create jobs and promote local democracy. But SAP will drop the guaranteeing of floor prices for agricultural crops in the new election platform due to be released soon "because the domestic prices hinge on the fluctuation of the world market force.

He said that SAP had so far recruited about 140 candidates and intended to field about 200 candidates.

Sounding optimistic about SAP's chances in the election, Sitthi said that many political parties had approached him for cooperation because they were "sympathetic" with him and believed in his "sincerity."

The Ratsadon Party of General Thianchai Sirisamphan and the Community Action Party of Bunchu Rotchanasathian has kept in touch with Sitthi.

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CSO: 4200/1102

MINISTER ANNOUNCES RULES FOR RADIO, TV ROLE IN ELECTION

BK300823 Bangkok Domestic Service in Thai 0000 GMT 30 May 86

/Text/ Chan Manutham, minister attached to the Prime Minister's Office, reported to newsmen yesterday afternoon on the outcome of a meeting on regulations for television and radio in the election campaign. The meeting decided that the leader or secretary general of every political party fielding the required number of candidates is eligible to publicize his party's activities and policy on television. Chan expects the recording of video tapes for this purpose to begin July. Each party will be given 30 minutes of air time from 1930 to 2000. Stations in the television pool will air this program daily until every party has appeared.

In /other/ election campaigning on television, it must be clearly stated on screen that the entire program has been leased to the party concerned for campaign purposes, and the program's content must be approved in advance by the Public Relations Department to ensure fairness to all.

Chan said radio stations will present only government election news and election regulations to inform the public. No radio station will run advertisements for any specific political party or individual in the interests of fairness to all concerned.

/12228
CSO: 4207/1106

THAILAND

GENERAL MANA ON MILITARY PAST, CURRENT POLITICAL PROSPECTS

Bangkok THAI RAT in Thai 18 May 86 p 3

[Interview with Gen Mana Rattanakoset, the secretary-general of the Citizens Party, by Kowit Sitalayan at the Papa Wiphawadi Restaurant; date not specified]

[Text] [Answer] I was born in Nakhon Phanom. My father was a district officer there. I attended primary school at a temple school. A few year later, I attended the Piyamaharatchalai School in Nakhon Phanom. Chuan Kittisiworaphan, who is now an MP, was a classmate of mine. So was Somphap Saworakhan, who is a provincial governor. I came to Bangkok and completed Grade 10 at the Amnuaisin School. I then entered the Army Preparatory School as a member of Class 5, the same class as Gen Athit.

[Question] What about your military career?

[Answer] I was a sublieutenant in the 13th Regimental Combat Team, Artillery Battalion, Prachak Silapakhom Camp, Udon Thani. I served there for 7 years. I was promoted to captain and sent to Korea for 9 months. I was in Korea the same time as Prime Minister Kriangsak. But he was higher in rank than I. He was a major and served with the rank of lieutenant colonel there. I was a captain and served as a major there. After returning to Thailand I passed the test to attend the staff college in Oklahoma. I placed first on the test and went abroad to study. I was a major for 5 years. On returning, I served as an instructor to repay my obligation to them. I was then promoted to lieutenant colonel. Later on, I served with the Qualifications Control Section. I was promoted to colonel and appointed deputy adjutant general. I was sent to Vietnam, where I served with the rank of special colonel. On my return, I was appointed head of the personnel section, Territorial Defense Corps. I then served as the head of the recruiting Office, Reserve Affairs Department. I held the rank of special colonel for 11 years. After I was appointed general, I served as an army expert.

[Question] When did you become involved in mass activities?

[Answer] Before I was promoted to general. I had served with the Internal Security Operations Command (ISOC). I served as an army expert for 1 year. After that I was appointed chief of the Reserve Affairs Department. The amount of work kept increasing and so I asked the army to expand by establishing another department. That was when the army established the Civil Affairs Department. Someone else took over the Reserve Affairs Department, and I became the first chief of the Civil Affairs Department. Normally, the military departments are the responsibility of an assistant army chief of staff. When I was promoted to lieutenant general, I was made the assistant army chief of staff for civil affairs. I was the first person to hold that position.

[Question] Then you were the person who initiated civil affairs activities in the army.

[Answer] Yes, I was. But I had the approval of my superiors. I submitted my ideas to my superiors and implemented things.

[Question] And after you served as assistant army chief of staff?

[Answer] After that I served as deputy army chief of staff. I and Gen Chawalit Yongchaiyut both served as deputy army chiefs of staff at the same time. I was then promoted to full general and appointed asssistant RTA CINC, the position that I held at the time of my retirement.

[Question] During the Bangkok gubernatorial election, there were reports that you would run for governor. Why didn't you?

[Answer] At first, I wanted to run. But senior people such as Prime Minister Prem and Gen Athit advised me not to run. They said that I should wait and run in 1987 instead. But now parliament has been dissolved, and there will be an election. I have decided that the time has come to run for office. I was a senior military officer and am paid a large retirement allowance. Why should I waste my remaining years sitting at home idly? If you have a chance to benefit the country, you should do so.

[Question] It is said that you have many friends who are businessmen. Is that correct?

[Answer] These are people who took the national security course. There are more than 7,000 such businessmen. Each of these people took the internal security course. I know them and get along well with them. I gave lectures to each class. I sympathize with them. Take paying taxes, for example. They are diligent in preparing their files and getting the data ready. But sometimes they make mistakes. They have to telephone their companies and ask for additional data. They have to wait in long lines to place their calls. I intend to speak to Mr Wirot Saohaphan about this. We attended the National Defense College together. If we are going to take money from people, we can at least make things convenient for them. They are diligent about paying us the money.

[Question] You initiated the civil affairs activities. Do you have any further thoughts on this?

[Answer] I subscribe to the idea that all men should serve as soldiers. The only question is whether they should be type 1 or type 2 reservists. We established this unit based on this idea. I think that all of them are proud of this. I think that the military-civilian coordinating center should help the farmers with the agricultural work. For example, they can plant crops every year. We can do much to help the various government units, because we are already working with the villagers.

[Question] How many seats will your Citizens Party win in this election?

[Answer] We are a new party. We are trying to offer the people something new. We hope to win at least 60 seats. It all depends on whether the people are interested in what we have to offer.

[Question] Where will you run?

[Answer] I will run in Nakhon Phanom. I was born there. My father was a district officer there. An important road in Nakhon Phanom is named after my father, Khun Luang Aphiban Woradet. I am referring to Aphiban Pancha road, which passes the hospital there. I was born there and grew up there. I now have a chance to serve my native area and so I am offering myself as a candidate. It is up to the people to decide.

[Question] As for your political party, will you allign yourself with someone or some other party?

[Answer] In my view, we should cling to principles rather than individuals. We should concern ourselves with the nation's interests. There are many talented people in Thailand. We have more Ph.Ds than Japan. At one of the universities in Singapore, about forty percent of the instructors are from Thailand. We are ready to cooperate on anything that will benefit the country.

(This former assistant RTA CINC, who resigned his position as senator just recently and who is ready to enter the political arena, ordered noodles for lunch at Papa Wiphawadi.)

11943
CSO: 4207/246

FORMER DEPUTY ARMY COMMANDER 'READY' TO ENTER ELECTION

BK300335 Bangkok THE NATION in English 30 May 86 pp 1, 2

[By Phanni N. Konkit, Sompong Tang]

[Excerpts] Former Deputy Army Commander-in-Chief General Chuthai Saengthawip has been approached to run in Dusit right after the stunning order stripping General Athit Kamlang-ek of his post as army commander-in-chief and pushing Gen Chuthai into limbo.

In another move following Tuesday's bombshell order, the Democrat Party yesterday replaced the head of its team to contest in the same constituency with Colonel Chanbun Phentrakun, a former young Turk officer with close links to newly-appointed Army Commander-in-Chief General Chawalit Yongchaiyut.

Gen Chuthai told THE NATION that he was approached by the mass party of Pol Captain Chaloem Yubamrung, the Chat Thai Party and the Ratsadom Party of former Deputy Army Commander-in-Chief General Thianchai Sirisamphan "very recently."

He said he is ready to enter the general election in "such a constituency as Kusit" if the people wanted him to do so.

Informed sources said that UDP [United Democratic Party] Secretary General Tamchai Khamphato and Chairman of the UDP's Advisory Board Colonel Phon Roengprasoetwit approached Gen Chuthai hot on the heels of his removal from the second top army post to an inactive post of armed forces' inspector general Tuesday.

Chuthai responded that he "felt like running" in the polls to prove "whether he will have friends in need" now that he has been moved to an obscure office.

However, Chuthai told THE NATION that he was not sorry about the change because as a soldier he must follow his superiors' orders and the royal command unconditionally.

"Right now, I am not thinking whether to run or not because I am not an important man and I am afraid that the people will not pick me. But if and when some people call on me to enter the political arena, than I will have to comply with their wish," he said.

Chuthai, however, admitted that there is nothing much for him to do in his new post as inspector general and "I almost packed up my things to move to a new place." Half-jokingly, the general cited a poem to reflect his mood: "Mesa (April) Halley, Phrutsapha (May) Retire, Mithuna (June) Sunshine, Karakada (July) Bye Bye and Kanya (Deptember) for the good times."

/12232
CSO: 4200/1102

THAILAND

DEMOCRAT PARTY LEADER VIEWS COALITION POSSIBILITY

BK310251 Bangkok THE NATION in English 31 May 86 pp 1, 2

[By THE NATION's Political Desk]

[Text] Democrat leader Phichai Rattakun said yesterday he envisages no problems for his party to form a coalition government with the Social Action [SAP] and Chat Thai parties after the general election.

Phicahi, also deputy prime minister, said that the political parties with which the Democrat Party will join hands to form a coalition government must share the same economic thinking.

As he sees it, SAP Democrat and Chat Thai, for example, can blend their economic policies. "Basically, they're about the same," he said.

Phichai was speaking in the context of a scenario where no political party sweeps the majority of seats in the House of Representatives in the 27 July general election.

In any event, the deputy prime minister insists on the principle that the leader of the biggest political party should head the government. Throughout the interview with THE NATION, Phichai, however, repeatedly said his party is "humble" and never hopes to become a big party. "Who knows, we may garner only 20 seats in which case, the other 2, (Chat Thai and SAP) may not approach our party," he said.

In the scenario of a coalition government, Phichai said that 2 or 3 political parties which garner altogether about 200 or more House seats should admit that the biggest of them receives the mandate from the people to assume the premiership.

But the smaller of them may not agree to that and also want the premiership, then the principle would not materialize--a scenario which he deems undesirable.

In such a case, he said, an outsider would be brought into the picture to head the government as a "compromise figure."

He said that the biggest of them must be the "core" in efforts to form a coalition government. Phichai confirmed that Chat Thai leader Major General Praman Adireksan floated the idea to him during a meeting at a ceremony to open the new head office of the Democrat Party.

"I replied I totally agreed in principle and then he suggested that SAP, Chat Thai and Democrat parties should be enough to form a stable government. At this point, I did not make any commitment. I said well, I didn't know because the Democrat Party is not ambitious to become a big party. It depends on the voters. We are humble." There is no secret deal with Chat Thai as such. It's only an agreement of minds as far as the principle is concerned," he said.

He added he had never discussed the principle with SAP leader ACM [Air Chief Marshal] Sitthi Sawetsila. Referring to some Democrats' suggestions that General Prem Tinsulanon be invited to chair the Democrat's Advisory Board, Phichai said that the party's Executive Committee had never arrived at such a resolution.

He added: "M.R. Senio Pramot is already our party's chairman and although he is 81 years old, he is still physically fit and healthy. How can we oust him?"

Phichai also denied that the party will ask Gen Prem to enter the general election under the party's banner. "I have the party's mandate to decide who will run in which constituencies," he said.

He added that there was no need to approach the premier because he knows well what to do. "I respect him and do not want to tell him to do this or that," he added.

"Some Democrats," he added, "may have wooed the premier. That I don't know, but in light of all the reports about the premier, I can confirm that the Executive Committee has never reached a resolution," he said.

Other points that the deputy premier made include:

--the party, for the first time, has shifted more emphasis to the economic woes engulfing the country. Now the policy is "economics-leading-politics" vis-a-vis a politics-led perspective.

--The party's major economic platform is to stimulate economic growth as against economizing on government spending to stabilize the financial and economic standing of the country.

--The party will broaden the tax base and at the same time lower individual income and corporate tax ceilings to 50 percent and 30 percent respectively.

--The party will not overcome the problem of low agricultural crops by guaranteeing the prices arbitrarily but will implement a package of measures, including the announcement of realistic crop prices, the amendment of related laws to streamline efforts to solve the problems in full and the establishment of a national agricultural council to take charge of production control, reduce production costs and plan marketing.

/12232
CSO: 4200/1102

KRIANGSAK DENIES PLAN FOR ALLIANCE PARTIES

BK010221 Bangkok THE NATION in English 1 Jun 86 p 2

[Excerpts] Former Prime Minister General Kriangsak Chamanan declared yesterday that his National Democracy Party (NDP) will not ally with "a party as small and new as the United Democratic Party."

Gen Kriangsak's statement was his first public response to statements by UDP leader Buntheng Thongsawat about an alliance of the two during and after the 27 July general election. It came on the heels of the removal of Supreme Commander General Athit Kamlang-ek from the top army post Tuesday.

Kriangsak, however, conceded the NDP has been approached by various political camps since the House dissolution on 1 May on a possible merger between them and the NDP.

"How can the NDP join with such a small and new party as the UDP of Buntheng (Thongsawat) since I used to be the premier and our party also has much pride and dignity?" he asked.

Kriangsak was apparently responding to a claim made recently by Buntheng that the two parties were in the process of forming an alliance to contest in the nationwide polls in July.

Kriangsak, who is a defandant in the 9 September coup trial, said he upheld the principle of having the new primier be an elected MP but that the current Constitution of which he was a major draftsman allowed an "outsider" to assume the premiership.

Declaring the UDP was ready to form the core of a new coalition government following the polls. Kriangsak voiced optimism the party would win up to 30 House seats due to the readiness of its candidates. He said he would run in Roi-et's constituency one where he was elected in the 1983 general election.

He also said the UDP would field up to 174 candidates nationwide as stipulated by the Constitution and that it has so far picked candidates for 57 provinces. Kriangsak's statement, however, contradicted news reports that the party was facing difficulties recruiting enough candidates and has had to hire young graduates to run for the party.

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CSO: 4200/1102

THAILAND

EDITORIAL CONCERNED OVER PARTIES' BUYING CANDIDATES

Bangkok BAN MUANG in Thai 15 May 86 p 4

[Editorial: "Big Fish Eat Small Fish"]

[Text] Mr Uthai Phimchaichon, the leader of the Progressive Party, expressed shock that various wealthy political parties are trying to buy candidates. Highly popular candidates who are almost assured of winning election to the House are being paid up to a million baht. Those who are not as well known are being paid 300,000-800,000 baht. This has happened every time that there has been a parliamentary election.

It should be difficult to buy candidates in an age when the political parties have regulations and there are strict control laws. Popular candidates probably want to be in the large and well-known parties, because they will have a better chance of being appointed minister or being appointed to some other political position, including one of the House subcommittees. The small parties can't buy candidates. It is the large parties that buy good people from the small parties in order to ensure more seats for the party. Thus, the buying of well-known candidates to provide support in parliament concerns the large political parties that have much money behind them. It is these types of parties that are destroying democracy in order to preserve their own interests and power.

Politicians who sell themselves like this aren't necessarily without ideals. People who want to become MPs must be capable people who have sufficient sums of money. They may feel that remaining in a small party offers them no chance of ever helping the people. Because if a party has fewer than 20 seats in the House, it doesn't have the right to propose legislation. Party members may have to disband the party and join a larger party. This would result in their losing face for no reason.

Several of the more than 10 small parties that have registered are now making a great effort to field candidates in the coming election. The problem facing them is that they must field 180 candidates. And if they want to field candidates in a particular constituency, the number of candidates fielded must equal the number of MPs in the constituency. It is difficult for them to find enough qualified candidates. The law was designed this way in order to reduce the number of political parties and give the government greater stability. On one hand, this is correct. But on the other hand, this could be viewed as creating a parliamentary dictatorship and suppressing democracy among those who have little financial power but who want to serve the people.

11943
CSO: 4207/246

THAILAND

ECONOMIC OFFICIAL VIEWS DEVELOPMENT PLANS

BK271043 Bangkok Domestic Service in Thai 0000 GMT 26 May 86

/Text/ Phisit Phakkasem, deputy secretary general of the National Economic and Social Development Board, said that within the next 3 or 4 years, Thailand's economic system which is based on agriculture will be transformed into that relying on urban industries and the more effective application of modern technology as the country will see the influx of foreign capital investment, technology, and services. He added that the Sixth National Economic and Social Development Plan which will be implemented from 1986-1991 concentrates on the development of industries, cities, energy resources, and economic infrastructure to facilitate the new change. The major plans include the Eastern Seaboard Development Project which is designed to decentralize economic growth from Bangkok and create new industries that use natural gas in two target areas of Map Ta Phut and Laem Chabang Industrial Estates. The Map Ta Phut Industrial Estate will be the center of the natural gas industries which require high investment and technology such as natural gas separation and fertilizer plants. The Laem Chabang Industrial Estate is equipped with a commercial seaport and medium-scale labor-intensive industries which will not cause pollution. It is expected that the industries in the two areas will generate jobs for as many as 300,000 people involving a total annual capital investment of 46,980 million baht by 1990.

Phisit disclosed that another major plan is the development of Bangkok and its outlying areas which is designed to decentralize economic and population growth and include investment in transportation, housing, tap water, and flood prevention schemes. Moreover, energy imports will also be reduced through the development of natural gas and oil industries. The discovery of natural gas and oil in the country will contribute to the effort to reduce the country's dependence on imported energy by 33 percent by 1990. During the Fifth National Development Plan, Thailand has spent a huge amount on energy exploration and development projects. The government invested as much as 162,000 million baht during that period.

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CSO: 4207/1106

THAILAND

RICE EXPORTERS URGED TO RESIST LOWER PRICES

Bangkok SIAM RAT in Thai 17 May 86 pp 1, 12

[Unattributed report: "Rice Exporters Oppose Department of Foreign Trade's Proposal To Lower Export Prices"]

[Text] On 13 May the United States announced that it was lowering the export price for 100 percent, Grade 2 rice from $230 to $215 per ton. The Department of Foreign Trade recommended that Thai rice exporters reduce their price for this type of rice to $185 per ton.

Mr Sombun Phathaichan, the manager of the Thai Rice Exporters Association, told SIAM RAT that his association has studied this matter very carefully and does not think that Thailand should lower rice prices as recommended by the Department of Foreign Trade. Because lowering prices like this will just drive down paddy prices even more, and they are already very low. Exporters will just pass on the costs to the rice mills and farmers.

Mr Sombun said that if Thailand lowers rice export prices to $185 per ton, the price of good grade paddy, which is now selling for approximately 2,100 baht per kwian [1 kwian equals 2,000 liters], will drop to 1,600-1,700 baht per kwian. Thus, the members of his association have all agreed to maintain today's prices.

As for what to do to solve the problems stemming from the decision of the United States to lower its rice prices, Mr Sombun said that exporters must make a great effort to find new markets where we have the advantage over the United States in order to compensate for our losses. Everyone has promised not to cut prices.

As for solving the "Farm Act" problem, Mr Saman Ophatsawong, the president of the Thai Rice Exporters Association, has suggested that the government try to explain to the American people the reasons why the U.S. government implemented this law. It should stress the point that the U.S. government should not be using taxpayers' money to support farmers, who make up only a small percentage of the population.

Besides this, Mr Saman suggested that the English-language newspapers here be asked to cooperate by printing articles on the harmful effects of the Farm Act in order to inform the American people of the facts.

The Thai Rice Exporters Association reported the amount of rice exported during the past 4 months (January-April 1986). During this period, the public sector exported a total of 237,751.1 tons of rice. The private sector exported 1,494,948.5 tons. Thus, during this period Thailand exported a total of 1,732,699.6 tons with a value of 7,873 million baht. The average price of the rice exported during that period was 4,543 baht per ton.

11943
CSO: 4207/247

EDITORIAL CITES STATE FIRMS' LOSSES, FAULTS POLICY MOVES

Bangkok NAEO NA in Thai 17 May 86 p 4

[Editorial: "Time To Make a Decision"]

[Text] In 1985, considered as whole, the profits of the 65 state enterprises fell more than 7 billion baht. The losses of some state enterprises increased. The government must quickly make a decision in order to solve this problem.

Reports state that the 1985 profits of the 65 state enterprises fell greatly as compared with those for 1984. That is, profits fell from 21,819.30 million baht to only 14,696.43 million baht. Among the 65 state enterprises, 11 reported losses, 53 reported making a profit, and 1 refused to disclose the results of its operations.

Regardless of whether or not the state enterprises show a profit on operations, when compared with the assets that each enterprise has, it is clear that there is a lack of administrative efficiency. That is, in 1985 the assets of the state enterprises totaled 533 billion baht. Thus, the profits-to-assets ratio is only 2.8 percent. In the private business sector, such a low figure is considered to be an indication of poor management. Their ability to use the assets to generate profits is so low that it can be said that this is a waste of investment capital.

It is worth noting that except for five state enterprises whose profits exceed 1 billion baht, the other enterprises that have shown a profit are still a burden on the government. The government has to give them more and more support every year. Their profits are so small that they cannot expand or improve operations. When the government cannot support these state enterprises, they have to borrow money from abroad. In 1985 the state enterprises borrowed more money, raising their total debt to 212.5 billion baht.

The Department of Economic Research, Thai Farmers Bank, has stated that there are several reasons why the state enterprises are losing money. Investments are not related to market conditions. Administrators are appointed because of their political and military connections instead of their abilities. Expenditures for wages are high, and there is a surplus of workers.

The government has long had a policy of turning the state enterprises over to the private sector or allowing the private sector to play a role in managing the enterprises. But even though it has formulated this policy, the government hasn't been able to decide with which unit to start. This is because this involves taking action that involves "friends." At the same time, the government's decision to sell some of the state enterprises stemmed more from a desire to benefit their cronies than from a desire to take action based on this policy.

If nothing is done to solve this problem, this problem will just increase the country's financial and monetary difficulties.

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CSO: 4207/244

THAILAND

EDITORIAL VOICES CONCERN OVER UNEMPLOYMENT

Bangkok THAI RAT in Thai 3 May 86 p 3

[Editorial: "The Labor Situation"]

[Excerpts] The director-general of the Labor Department disclosed that approximately 2 million people are now unemployed. Of these, approximately 200,000 have some level of education. Based on the number of unemployed people and on the fact that business is not expanding, there is great concern about the situation of employed people, who will have to support those who are unemployed, including those within their family and in society in general. That is, they will have to support the country's surplus laborers.

The director-general of the Labor Department said that in this situation, people cannot be "choosy" about jobs. The things that have happened show that no one is being "choosy." This is true for educated people who want work and for unskilled workers, whose numbers are increasing constantly. Increasing the number of jobs is not the only thing that must be done to solve this problem. We must also give attention to producing workers in accord with the needs of the labor market.

Unemployment and the labor situation in Thailand have become much more serious in recent years. The problem seems almost impossible to solve. Economic plans have been formulated based on the 6th Development Plan. These call for expanding private and public sector employment and expanding the econcmy based on the targets. But can this be done?

If the labor market in the Middle East encounters problems because of the fighting or because of something else, at least 500,000 laborers will return and enter the labor market here. Unskilled workers and people with little education will face even greater competition. Because those now working will return and compete for jobs here. This is what will happen unless the labor market expands.

11943
CSO: 4207/247

DEPUTY PREMIER COMMENTS ON ATHIT REPLACEMENT

BK271440 Bangkok Domestic Service in Thai 1300 GMT 27 May 86

[Text] Deputy Prime Minister Phichai Rattakun gave an interview with reporters at Government House this morning in which he commented on the army commander in chief, saying that both the old and new ones have promoted democracy. He said:

[Begin recording] [Phichai] I think that army commander in chiefs, no matter who they are--including General Athit Kamlang-ek--have always announced their support of the democratic system. I also have confidence in the new army commander in chief because he has said that he supports the democratic system and will maintain the stability of the government duly elected by the people. I am thus of the opinion that there is nothing to worry about.

[Unidentified reporter] Government Spokesman Trairong has said that this will guarantee the 27 July general elections. Do you believe it will have a positive effect on the upcoming general elections?

[Phichai] I do not know what government spokesman Trairong means. However, I see that a senior government officer like Gen Athit Kamlang-ek has said that he would do everything to see that the general elections are held fairly, and he asked all soldiers to remain neutral. Therefore, there is no reason to worry that soldiers or anyone else will do something against democracy. The new commander in chief is also the same. From his past behavior, we know that he, too, has always promoted democracy. [end recording]

/12228
CSO: 4207/1106

THAILAND

BORDER POLICE REORGANIZED, COMMANDS COMPATIBLE WITH ARMY

Bangkok MATICHON in Thai 16 May 86 pp 1, 2

[Excerpt] On 15 May, in his capacity as the chairman of the Committee to Reform the Bureaucracy and Bureaucratic Administrative Regulations, Gen Prachuap Suntharangkun, the acting deputy prime minister, discussed the results of the meeting held by the special affairs subcommittee on 14 May. The purpose of the meeting was to study ways to improve Police Department administration. Those attending discussed improving the structure of the Commissioner's Office of the Border Patrol Police. In principle, they approved disbanding the various precincts and establishing units to increase proficiency. They approved increasing the strength of the Border Patrol Police (BPP) by 9,000 men within the next 5-7 years using BPP funds. In making changes, the emphasis will be placed on proficiency in operations in order to have the BPP serve as support forces for the main forces. Work sectors will be subordinate to the Commissioner's Office of the BPP. However, operations will be subordinate to the military.

A news report stated that those at the meeting agreed that the number of zone precincts subordinate to the regional commands should be increased from 8 to 16, that is, from 2 per region to 4 per region. The area of responsibility of each precinct will be reduced as appropriate in order to improve proficiency in command. With the present structure, the units of the zone precincts are too spread out, and the area of responsibility of each zone precinct is too large. Efficiency in command is not as good as it should be.

Besides this, within each zone precinct, the number of sections is to be reduced from nine sections to six sections, and the number of companies is to be reduced from nine to seven. Specifically, section 1 is personnel, section 2 is intelligence, section 3 is operations and training, section 4 is logistics, section 5 is civil affairs, and section 6 is finance. Company 1, a support unit, is composed of a communications platoon, a medical platoon, and a war dog platoon. Company 2, a special action unit, is composed of a psyops platoon, a development platoon, a platoon of teachers for remote schools, and a security platoon. Company 3, a weapons unit, is composed of a 93 mm mortar platoon, an armored vehicle platoon, and a motorcycle platoon. Companies 4-7, operations units, are composed of combat support platoons, public relations platoons, and border patrol platoons.

The report also stated that the administrative precinct of each regional command will have six, instead of five, sections and one company. The responsibilities of each section will be the same as those of the zone precincts. The company will be a support unit composed of a transport platoon, a medical platoon, and a fixed security platoon. The structure of the air support precinct, which is presently composed of nine sections and five companies, will be changed, too. It will have six sections and eight companies. The responsibilities of the sections will be the same as those of the zone precincts. Company 1 is a combat support unit, company 2 is a special affairs unit, and Company 3 is an airborne unit. Companies 4-8 are special forces units.

The Special Training Command is now composed of four sections and six precincts. The report stated that the administrative section of the Command will be turned into an administrative precinct. Thus, the Special Training Command will have five precincts: Precinct 1, administration and personnel; Precinct 2, technology; Section 3, planning and training; Section 4, logistics and finance; and Section 4, research and evaluation. The number of special training precincts will be increased from six to nine. Precinct 1 will serve as the inter-branch school of the Commissioner's Office of the BPP. It will serve as the training unit of the Commissioner's Office of the BPP and the Police Department. Precincts 2 and 3 will be the training units of the Region 1 BPP Command. Precincts 4 and 5 will be the training units of the Region 2 BPP Command. Precincts 6 and 7 will be the training units of the Region 3 BPP Command, and precincts 8 and 9 will be the training units of the Region 4 BPP Command.

The structure of the training precincts will be changed, too. Instead of having four sections and three companies, they will have four sections and five companies: Section 1, personnel; Section 2, technology; Section 3, planning and policy; and Section 4, logistics and finance. The five companies will all be student companies. Three of the companies will train BPP personnel, and two will train personnel from other Police Department units.

The report stated that the subcommittee also stipulated new zones of responsibility and new administrative areas. The responsibilities of the zone precincts are to be turned over to the regional commands. That is, the regional commands are to have specific areas of responsibility in accord with those of the army areas, regional internal security operations commands, and provincial commissioner's offices. Besides this, the regional commands can assign areas of responsibility to the zone precincts in accord with the situation and the plans of the military. This will improve efficiency in operations.

The report stated that this restructuring of the units will reduce the number of personnel from 41,147 to only 37,989. Budgets will remain the same as before.

The report also stated that at the meeting, Gen Prachuap said that this reorganization plan will be submitted to the Committee to Reform the Bureaucracy and Bureaucratic Administrative Regulations for immediate consideration. Following that, it will be submitted to the cabinet for approval. This will be done before the end of the term of the present administration.

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CSO: 4207/244

STEPPED-UP ANTI-CPM EFFORTS, FEAR OF SEPARATISTS IN SOUTH

Bangkok SIAM RAT in Thai 19 May 86 pp 1, 12

[Unattributed report: "4th Army Area Prepares To Stamp Out Malaysian Communist Guerrillas"]

[Text] A news report from the 4th Army Area has informed SIAM RAT that the 4th Army Area has established a forward headquarters in order to suppress the Malaysian communist guerrillas. Units at all echelons, from the National Security Council to the army, agree that it is time to mobilize troops and smash the Malaysian communist guerrillas.

The report stated that in the past, the suppression efforts focused on the communist terrorists. But the communist terrorist problem has been solved and so forces must be mobilized to suppress the Malaysian communist guerrillas. The size of the guerrilla armed forces has changed very little. They still have approximately 1,600 armed soldiers. Military pressure must be applied, because the Malaysian communist guerrillas now have the capability to wage a revolutionary war against Malaysia.

The report stated that the Malaysian communist guerrillas must be suppressed for three reasons: 1. In the interests of national integrity, because the communist guerrillas are foreign forces. 2. The Malaysian communist guerrillas who have entered Thailand are not living here peacefully. Thailand and the Thai people are losing about 100 million baht a year because of their presence. 3. The presence of the Malaysian communist guerrillas in Thailand affects Thai-Malaysian relations. Their presence here could lead to a misunderstanding between the two countries.

A military news source said that based on military principles, commanders must be near the site of the crisis. Thus, the 4th Army Area has established a forward headquarters at the 2d Battalion, 5th Infantry Regiment, I-ngok Yutthaborihan Camp, Pattani Province.

The news source added that at present, some southerners are becoming alarmed by the Mujahideen movement, an alliance between PULO and the BRN. This is similar to what has happened in Iran and Pakistan. But actually, there is no cause for alarm, because the Mujahideen movement is just an attempt to enhance the image of these groups so that they can request financial support from abroad.

"I don't think that there is anything to worry about. This movement is very weak," said the news source. He added that revolution depends on internal factors. It can't come from outside the country.

The news source said that the monthly statement on the border situation will be issued on 21 May at the Information Office, Supreme Command Headquarters. The 4th Army Area will explain the reasons for establishing a forward headquarters and provide information on the activities of the Mujahideen movement.

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CSO: 4207/247

ARMY MAJOR GENERAL REPORTS ON BORDER SITUATION

BK240920 Bangkok Domestic Service in Thai 1300 GMT 22 May 86

/Text/ Army Secretary Major General Narudon Detpradiyut has reported on the situation along the Cambodian and Lao borders during the period 22 April-19 May. He said the Vietnamese rejected the appeal of the United States and ASEAN countries to reconsider the eight-point proposal on solving the Cambodian problem, demonstrating that they lacked the sincerity to solve the problem peacefully and that they wanted to occupy Cambodia permanently. Vietnamese soldiers in Cambodia tried to control Cambodian people by moving them to new areas they deemed suitable. These areas were surrounded by obstacles and guarded by Vietnamese soldiers to prevent Cambodians from fleeing to Thailand.

There were military movements and rotations in Thmar Puok, Sisophon, and Poipet in Battambang Province, involving the withdrawal of Vietnamese soldiers to rear areas and replacing them with Heng Samrin soldiers to prepare for rainy season campaigns. Senior officials in Battambang also met to plan how to suppress the Cambodian patriotic forces. Patriotic Cambodian forces organized small units to infiltrate and successfully hit Vietnamese units in major towns, inflicting heavy losses on the Vietnamese. There was less violence along the Thai-Cambodian border in the past month because there were no targets for major Vietnamese operations, but small Vietnamese units along the border occasionally intruded and fired heavy weapons into Thailand, particularly in Nam Yun District of Ubon Ratchathani and Ta Phraya and Aranyaprathet Districts of Prachin Buri.

Regarding the situation along the Thai-Lao border, there were movements of Vietnamese and Lao soldiers near the border, particularly in Sayaboury Province opposite Thailand's Nan Province and in Savannakhet and Champassak Provinces opposite Thailand's Ubon Ratchathani. Lao and Vietnamese soldiers also intruded into Thailand to collect information about the size and positions of Lao resistance forces in those areas.

/12228
CSO: 4207/1106

CHAWALIT COMMENTS ON SHELLING OF REFUGEE CAMP

BK310148 Bangkok THE NATION in English 31 May 86 p 3

[Text] Newly-appointed Army Commander-in-Chief General Chawalit Yongchaiyut yesterday accused Vietnam of deliberately shelling a displaced Kampuchean camp on the Thai-Kampuchean border to push the Khmers deeper inside Thailand.

Gen Chawalit told reporters at his residence that Vietnamese troops deliberately fired the artillery shells into the Site 8 Camp where about 30,000 civilian followers of the Khmer Rouge stay.

A senior official of the International Committee of the Red Cross (ICRC) told THE NATION that the final death toll among the Kampucheans from Thursday's shelling was 11, one of them having died while being transported to the ICRC's hospital at Khao I Dang Camp in Ta Phraya. He said 14 Khmers were wounded, 7 seriously.

The ICRC earlier provided a higher casualty figure. The official said the previous reprot of 41 wounded mistakenly included pregnant women and helpless persons who were also moved to the hospital. The ICRC is responsible for medical emergencies in the Thai-Kampuchean border camps.

He said the United Nations Border Relief Operation (UNBRO) which feeds the Kampucheans yesterday declared that the situation at the camp has returend to normal.

Thai military officers on Thursday said seven shells were fired into Site 8, about 50 kilometres south of Aranyaprathet, from a Vietnamese artillery base in Kampuchea.

Chawalit, asked whether the Vietnamese wanted to test strength of the Thai Army, said: "If that was the reason, then they would have it."

"We see that Vietnam had the intention of attacking the camp since many shells hit it. Vietnam has long intended to push the Kampuchean camps deeper inside Thia territory," Chawalit said.

Meanwhile, Prasong Sunsiri, secretary general of the National Security Council, condemned the attack but said he expected no large scale Vientamese strikes.

He said military experts had concluded the shells came from artillery guns which the Vietnamese have but the Kampuchean resistance forces are not known to possess.

Western relief officers earlier speculated the incident was a result of infighting among the Khmer Rouge combatants.

Prasong said it was possible that the Vietnamese attack meant to push the Kampuchean displaced persons deeper inside Thai territory.

Major General Narudon Detpradiyut, spokesman of the army, told reporters that officers of the Supreme Command which controls Site 8 and other Kampuchean evacuation sites had the situation under control and had led the Khmers back to their camp. However, he said some displaced Kampucheans were too frightened to return and sought shelter in the maize fields of nearby Thai villagers.

He said the Vietnamese attack was a "cruel action which deserves condemnation by the international community."

/12232
CSO: 4200/1102

GOVERNMENT ISSUES DOCUMENT AGAINST COMMUNISTS

BK010205 Bangkok THE NATION in English 1 Jun 86 p 1

[By Phongsak Sisot]

[Text] The government has issued a new order that reaffirms the anti-communist strategy of pressuring the Communist Party of Thailand [CPT] to lay down its arms and adopt legal political means to attain its objective, informed sources told THE NATION yesterday.

The order outlines guidelines to achieving the goal, including further strengthening the constitutional monarchy, reconciling social conflicts and maintaining military pressure on the party's jungle fighters.

The PM's Order No 47/B.E. 2529, signed by Prime Minister Prem Tinsulanon on 24 March, this year, also gives priority to the struggle against CPT, as against its "front members and movement," and its armed force. "The rationale behind it is the assessment that the "acute ideological conflicts" in the top leadership of the outlawed party are still taking their toll and should be utilized.

The PM's order, issued to further elaborate on previous anti-communist orders, including the PM's Order No 66/B.E. 2523 and the PM's Order No 65/B.E. 2526, seems to be theoretical guidance in a systematic way rather than a set of practical instructions, as some observers see it. It calls for the practical realization of the theoretical lines but is ambiguous on the ways to achieve the final objective of establishing a "perfect and strong democracy under HM the king as head of state."

The objectives are the key to final victory over the armed struggle of the outlawed party, it says.

The order says that all ways must be used to pressure the CPT, its leaders and core members at all levels to renounce the armed struggle. As for the front movement, the order says there is a need to step up efforts to reconcile conflicts in the bureaucracy and the private sector, as well as all groups of people lest the banned party exploit the conflicts to spark a civil war.

/12232
CSO: 4200/1102

KUOMINGTANG, WA FORCES ATTACK KHUN SA

BK020211 Bangkok THE NATION in English 2 Jun 86 p 2

[Text] Mae Ai, Chiang Mai--Ex-Kuomintang [KMT] soldiers and fighters of the Wa hilltribe have launched a series of joint attacks on positions of the Shan United Army (SUA) of drug kingpin Khun Sa in their continuing struggle for influence along the Thai-Burmese border.

The fighting, in which both sides suffered heavy casualties, has been raging on since early last month on the mountain range opposite this border district and adjacent Fang District.

Border patrol police sources said that clashes between the rival forces were reported almost daily on the Burmese side of the mountainous areas stretching more than 20 km opposite Doi Angkhang of Fang District to the northern tip of Mae Ai District near Chiang Rai.

They said Khun Sa had despatched about 1,000 of his men to guard four key border passes under attack by the joint forces of Wa and ex-Kuomintang soldiers. The four border points are known as Chong Pangtong, Sanchu, Doi Lang and Doi Sam Sao.

Despite the mounting pressure from the attacking forces, the SUA was reported to be in control of the key border passes late last month.

According to the sources, about 800-1,000 fighters of the KMT and the Wa National Army (WNA) have been engaged in the battle with Khun Sa's guerrillas.

The sources said the contention to control the four border passes centres on a huge interest in the areas which serve as drug trafficking routes and the sites of border black markets.

They said the SUA guerrillas have been collecting "outlawed taxes" from the Shan and the Burmese ethnic merchants who have been trading across the border through the black markets controlled by Khun Sa's men.

Both the SUA and the KMT were reported to be engaged in narcotic trade and trafficking in the area.

The ex-KMT or Chinese Haw ethnic fighters had previously controlled the four border passes before being driven out by the SUA guerrillas who lost their stronghold on the Thai side of the border at Ban Hin Taek in Mae Chan District of Chiang Rai in 1982.

According to the BPP sources, the ex-KMT fighters currently engaged in the battle with Khun Sa's forces belong to the Kuomintang Third Army. The KMT is divided into two groups, the Third and the Fifth Armies.

The BPP sources also denied reports that the fighting between the rival forces took place at the sites of the four border passes. They said the ex-KMT and the Wa fighters still could not penetrate into the SUA-controlled passes.

They said the rival forces have been battling in the rugged mountainous terrain in the vicinity of the four border passes.

According to military sources, the SUA guerrillas last year tried to expand their influence to the south into the areas, controlled by the Karen and the Wa rebels, opposite Mae Hong Son Province in order to facilitate their drug trafficking.

However, the SUA plan was foiled by stiff resistance from the joint forces between the Karen and the WNA, the sources said.

The WNA, whose strength had been previously ignored by both the SUA and the Burmese central government, has been rapidly growing stronger during the past 2 years, according to the sources.

They said new members of the WNA have been recruited from hilltribe peoples along the Thai-Burmese and Sino-Burmese border areas. The WNA recruits have been trained by the ex-KMT officers on military tactics and guerrilla warfare.

The BPP sources said the WNA are currently separated into two factions, the pro-Karen and the pro-KMT. "Some WNA local leaders prefer the Karen while the others prefer the KMT," said one source.

The WNA is a member of the National Democratic Front of the Burmese minority armed forces which has been fighting Rangoon's forces for independence for almost 40 years.

The sources said the joint campaign of the KMT and the WNA against the SUA has also been supported by the Burmese Communist Party (BCP) and the Lahu hilltribes group in the border area. One source said some elements of the BCP led by Col Kao Liang have been involved in the campaign against Khun Sa's forces.

/12232
CSO: 4200/1102

ARMY PLANNING TANK MODERNIZATION PROGRAM

BK040205 Bangkok THE NATION in English 4 Jun 86 p 25

[Text] U.S.-based Teledyne Continental Motors has proposed a tank programme for the Royal Thai Army to increase combat effectiveness of M41 fleet immediately through modernization and the development of an armoured gun system.

The Thai Army wants to modernize some 400 M41 battle tanks and Teledyne is among many major contenders including GLS/Krauss Maffei represented in Thailand by Loxley (Bangkok) Ltd.

But Teledyne will propose to develop wide track armoured gun system called "Phrikkhinu" for the Thai Army.

In its presentation, the development of M41 fleet would involve installation of diesel engine (140 degree Farenheit) operation, fire control with thermal, stabilization and smoke systems.

"Phrikkhinu" will have 105mm M68A1 cannon, autolaoder (3-man crew), fire control with thermal and similar systems for M41 tanks.

Under the programme for M41 modernization, all U.S. components will be shipped to Thailand in kits. Hardware and materials will be procured locally while facility will also be prepared here.

Teledyne proposed training done and all kits installed in Thailand. Modernized M41 will be shipped to Thailand for testing and evaluation. Following testing, the M41 will return to the United States for integration of hydropneumatic suspension units, wide tract and armour analysis. These features will be incorporated into vehicles modernized for the Thai Army.

For the "Phrikkhinu" programme, all components and hulls will be shipped to Thailand and hardware and material will be also procured locally. Facility will be prepared here for assembly. Teledyne said that all major assembly will be done in Thailand and it will augment training from M41 tank programme. It will provide the same parts and technical support as for the tank modernization programme.

The Teledyne consortium members for the M41 programme include Cummins, Varo, Teledyne Ryan Electronics, Cadillac Gage, Texas Instruments, HTL, Rockwell-Collins.

The modernization programme has already been approved by the Thai Army but the final decision is pending as to who will get the contract for this multi-million-baht deal.

The "Phrikkhinu armoured" gun system was discussed 3 years ago at Adison cavalry unit when a Teledyne executive, C.W. Kingsberry, visited the garrison. He asked what should be the ideal main battle tank for Thailand and was told that a tank which is small but deadly.

A soldier said that is should be the same as "Phrikkhinu" which is small but as hot as the local chilli,referring to a special genus of chilli found in Thailand which is very small but also very hot. The ideal tank should have a high degree of manoeuvrability and can operate in all terrain in Thailand.

The Teledyne executive just sat in silence without any comment. He returned later with the preliminaty designs for "Phrikkhinu" to serve as the main battle tank for Thailand.

/12232
CSO: 4200/1102

PAPER PROFILES 2ND ARMY CHIEF OF STAFF

Bangkok DAILY NEWS in Thai 5 May 86 p 5

[DAILY NEWS Square column by Nanthana: "A Young Officer From CRMA Class 5 Is the Chief of Staff of the 2d Army Area"]

[Text] Maj Gen Phaibun Hongsinlak, the chief of staff of the 2d Army Area, was born on 7 July 1934 at Ban Thanon Phaniang, Pom Prap District, Bangkok. His parents, who are merchants, are Mr Phun and Mrs Somphak Hongsinlak. He has 10 brothers and sisters, 2 of whom have died. He is the third child. He attended primary school at the Satriwitsutthakham and Thai Prasat schools. He attended lower secondary school at Bophitphimuk School. He then attended the Cadet Preparatory School as a member of Class 12 and Chulachomklao Royal Military Academy as a member of Class 5. Fellow classmates included Lt Gen Suchinda Khrapravun, the assistant army chief of staff, Maj Gen Isaraphong Nunphakdi, the deputy commander of the 2d Army Area, and Police Maj Gen Bunchu Wankanon, the commander of the Suppression Division. Maj Gen Phaibun graduated from the academy in 1958 and was made a second lieutenant in the artillery. He served with the 3d AAA Battalion in Lopburi for 7 years. He was promoted to captain and sent to attend the Armed Forces Staff College as a member of Class 44. He then served as the assistant chief of logistics with the 3d Division, Suranari Camp. Two years later, he was promoted to major and made chief of logistics. Following that, he carried on special activities in the upper and lower northeast. He was promoted to lieutenant colonel and appointed commander of the 3d AAA Battalion, Phahonyothin Camp, Lopburi. A short time later he was made head of the planning section, 2d Combat Support Headquarters. After being promoted to colonel, he served as chief of staff of 2d Combat Support Headquarters, deputy commander of 2d Combat Support Headquarters, head of logistics with the 2d Army Area, deputy chief of staff of the 2d Army Area, and commander of the Khon Kaen Military District. In 1984 he was promoted to major general. He was made a special operations officer while serving concurrently as commander of the Khon Kaen Military District. He also served as commander of Civil-Police-Military Unit 25 in Chum Phae District. He was responsible for field activities in Khon Kaen and certain districts in Chaiyaphum, which borders the area of the 3d Army Area. On 1 October 1985 he was appointed chief of staff of the 2d Army Area.

When he was 33 years old, he met Nongnit Manthiangthae, whom he married. They have one son and one daughter: Suphasachi, a student at Satriwit, and

Phongphat, a Grade 9 student at Saint Gabriel School. He likes several different sports, particularly taklo. He likes all types of food that are clean. He drinks a little but does not smoke. He believes that regardless of where you are at, you must foster understanding based on what is right. Soldiers must not create problems for the people. They must help the people understand things. This is a brief biography of a person who has a bright future, because he has 8 years left before he retires from government service.

11943
CSO: 4207/244

THAILAND

BRIEFS

CPM CAMP DESTROYED--Betong, Yala--Government forces yesterday captured and destroyed a satellite camp of the Communist Party of Malaya (CPM) on the 3d day of their offensive against communists on the Thai-Malaysian border. On Wednesday, government forces overran a CPM camp with about 50 living quarters at Ban Chanthalak, about 22 km east of this border town. In yesterday's operation, the government forces clashed briefly with a band of about 10 guerrillas after they captured the satellite camp in an area near the camp overrun on Wednesday. The satellite camp was put to the torch after an army helicopter was brought in to strafe the guerrillas. The Fourth Army Region on Tuesday launched a three-pronged offensive on the CPM guerrillas in a coordinated operation with Malaysian authorities, who mounted an attack on the other side of the border. The operation, codenamed Taksin 8602, is concentrating on areas in Betong, Taha, and Tarnto Districts of Yala. [Text] [Bangkok THE NATION in English 23 May 86 p 2] /12232

MOVING REFUGEE CAMP CITED--Aranyaprathet--Supreme Commander General Athit Kamlang-ek and Army Commander-in-Chief General Chawalit Yongchaiyut yesterday toured a camp for displaced Khmers here which they said had been shelled by the Vietnamese and vowed that Thailand will not allow Vietnam to violate her territory again. When asked about a proposal of relief officials for the camp to be moved inside Thailand for better security, Gen Athit said: "We have to wait and see. Moving a cmap is complicated and costly." He said if the situation does not worsen the camp would remain where it is. However, the Thai authorities would consider moving the camp if it was in danger, he said. Colonel Chalong Chotihakham told the officers the shells were fired from kampuchean territory 3 to 5 kilometres east of Ta Ngoc Hill which towers above the Site 8 Camp. The military has recently reported heavy fighting in the area opposite Site 8 between Khmer Rouge fighters and Vietnamese troops. The people in Site 8 are civilian followers of the Khmer Rouge which is the strongest Khmer resistance force fighting the Vietnamese. [Excerpts] [Bangkok THE NATION in English 2 Jun 86 p 1] /12232

POLISH VICE PRESIDENT VISITS--Visiting Polish Vice President Tadeusz Mlynczak accompanied by Polish Ambassador Andrzej Majkowski paid a courtesy call on Parliament President Ukrit Mongkhonnawin at Parliament building today. The Polish vice president informed Ukrit that the purpose of his visit was to strengthen bilateral relations as it is Poland's policy to strengthen ties with all countries, refrain from interferring in other countries' internal affaris, and attach special importance to trade with other countries. The Thai and Polish officials agreed that exchanges of visits will enhance bilateral relations. Ukrit said it is a desire of Thai people to expand all-round ties with all countries, and Thailand is ready to cooperate with other countries to achieve this. /Text/ /Bangkok Domestic Service in Thai 1300 GMT 23 May 86 BK/ 12228

KMT VILLAGES TO ARMY CONTROL--Col Anan Bamrungphruk, the commander of Special Action Unit 327, discussed the transfer of the Mae Ok refugee village to Ministry of Interior control. He said that Ban Mae Ok was originally under the control of Headquarters 17. Later on, it was placed under the control of the army. The 3d Army Area took responsibility for this village in 1984. Special Action Unit 327 was put in charge of maintaining order in the village, including the personnel and weapons controlled by the former KMT soldiers. After the Ministry of Interior established this as a legal village, it placed the village under the control of Special Action Union 327. Col Anan said that this village is located in Na Pa Baek Subdistrict, Muang District, Mae Hong Son Province. Its new name is Ban Rak Thai. It is located along the Thai-Burmese border. Its population of 932 people is composed of Haw Chinese refugees, Free Haw Chinese, and Shan and Wa tribesmen. Lt Gen Ruamsak Chaiyakomin, the 3d Army Area commander, presided at the transfer ceremony. [Text] [Bangkok BAN MUANG in Thai 13 May 86 p 3] 11943

CSO: 4207/247

PRESIDENT OPPOSES LIBYA TIES; ECONOMIC IMPACT CITED

Penang THE STAR in English 27 May 86 p 13

[Text]

PORT VILA, Mon. — Vanuatu President Ati George Sokomanu warned Prime Minister Walter Lini today against plans to forge diplomatic ties with Libya.

In a speech opening Parliament, Mr Sokomanu also said the Lini Government's increasing links with socialist countries would have a serious effect on the economy of the small South Pacific nation.

Mr Sokomanu, a founder member of the ruling Vanuaaku party, said the Government moves would affect Vanuatu's efforts to promote itself as a major world tax haven.

Mr Sokomanu is a ceremonial Head of State, but has considerable influence among his people as a member of the traditional council of chiefs and adviser to the Cabinet.

"The Government's decision to set up diplomatic relations has caused grave concern in many neighbouring countries in the Pacific and much more at home," Mr Sokomanu said.

"I am concerned over the impact it will have on the business sector, especially the finance centre, overseas investors and the tourist trade," he added.

Finance centre is the official name for the island's booming business as a tax haven.

Mr Lini has said his country plans to open formal ties with Libya despite growing concern among Pacific nations, including the United States and Australia.

Mr Lini, an Anglican priest, also is negotiating a fishing deal with the Soviet Union. Kiribati is the only other South Pacific nation which has a similar arrangement with Moscow.

Mr Sokomanu, who was elected by the Government for a second five-year term in 1984, said Vanuatu's economy and tourist trade had been hit because of low prices for its main commodities — copra and cocoa.

"The move to open ties with Libya could have an adverse effect on the economy. Do not add fuel to the flame," he said.

Government officials said relations between Mr Sokomanu and Mr Lini remained good and the President's outburst appeared mainly an attempt to steer the Government back on what he believed to be "a proper foreign policy course."

Vanuatu, formerly ruled jointly by Britain and France, became independent in 1980. — Reuter.

/9274
CSO: 4200/1112

VODK ON KHIEU SAMPHAN VISIT TO LIBERIA

BK280351 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 27 May 86

[Text] On 22 May, at the state palace in Monrovia, President Samuel Kanyon Doe of Liberia received the CGDK delegation led by Khieu Samphan, vice president of Democratic Kampuchea in charge of foreign affairs. Also taking part in the meeting were Liberian Vice President (Harvey Monibar) and foreign minister Bernard Blamo.

Vice President Khieu Samphan conveyed sincere greetings and high consideration for Samdech Norodom Sihanouk, president of Democratic Kampuchea, to President Samuel Kanyon Doe and expressed the profound gratitude of the Cambodian people and the CGDK to the president, government, and people of Liberia for their precious support for the just struggle of our people against the Vietnamese aggressors for national independence and survival. Vice President Khieu Samphan also briefed the Liberian president on the recent development of our people's struggle, particularly on the 8-point proposal of the CGDK.

President Samuel Kanyon Doe welcomed the Democratic Kampuchean delegation to Liberia and reaffirmed the vigorous and resolute support of Liberia for the Cambodian people's struggle in the international arena. He said Liberia demands that all Vietnamese forces be withdrawn from Cambodia unconditionally to let the Cambodian people freely decide their own destiny. He also affirmed his resolute support for the CGDK's 8-point proposal.

On the same day, (Pan Baka Yangaba), head of the foreign affairs committee of the Liberian Parliament, also received the CGDK delegation. Also taking part in the meeting were members of the committee. The head of the committee declared that the Liberian people have always agreed with the Liberian Government in firmly supporting the 8-point peace plan and in demanding that Vietnam withdraw all its forces from Cambodia.

On the afternoon of 22 May, the CGDK delegation visited a cultural center in (Kandaya) and watched an artistic performance there.

/9738
CSO: 4212/82

BRUNEI, DK LEADERS EXCHANGE MESSAGES ON PROPOSAL

BK010600 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 31 May 86

[Text] Prince Mohamed Bolkiah, minister of foreign affairs of the state of Brunei Darussalam, has sent a message dated 9 April 1986 to Prince Norodom Sihanouk, president of Democratic Kampuchea, voicing support for the CGDK's 8-point proposal for a political settlement of the Cambodian problem. The message reads in full as follows:

Your Highness: I would like to congratulate you for the success of the meeting of the three CGDK leaders held in Beijing from 15 to 17 March 1986.

The state of Brunei Darussalam welcomes and supports the CGDK's 8-point proposal and is encouraged by such a constructive initiative. This is a splendid proposal which defines a number of significant points, such as the withdrawal of Vietnamese troops from Cambodia and the Cambodian people's right to self-determination.

The state of Brunei Darussalam regrets the fact that Vietnam and Heng Samrin rejected this peace proposal of the CGDK. However, we still sincerely hope that Vietnam and Heng Samrin will reconsider their stand and examine the good points in this proposal. I sincerely hope that in the future, your highness and your partners in the CGDK will further display such unity that it can mobilize more support from the world community.

Please, your highness, accept my highest salutations.

[Signed] Prince Mohamed Bolkiah.

In response to the above message from Prince Mohamed Bolkiah, minister of foreign affairs of the state of Brunei Darussalam, Prince Sonodom Sihanouk, president of Democratic Kampuchea, sent a message of thanks from Pyongyang. The message dated 28 May 1986 reads in full as follows:

Your highness: I have the great honor to receive your message dated 6 April 1986 which was sent to me by your embassy in Bangkok. I would like to express warmest thanks to your highness for the congratulations. I am very happy to hear that the state of Brunei Darussalam agrees with and supports the 8-point proposal put forward by the three CGDK leaders.

On behalf of Prime Minister Son Sann and Vice President Khieu Samphan and in my own name, I would like to express most profound gratitude to your highness and the government of the state of Brunei Darussalam for giving us attention and vigorous support.

Please your highness, accept my highest salutations.

[Signed] Norodom Sihanouk

/9738
CSO: 4212/82

ROUNDUP OF VONADK BATTLE REPORTS 23-29 MAY

BK300747 [Editorial Report] (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian broadcast the following battle reports during the reporting period 23-29 May:

At 2315 GMT on 23 May, VONADK reports that between 10 and 21 May, DK forces on the Moung, Samlot, Koh Kong Leu, Leach, Battambang, south Sisophon, and north Battambang battlefields killed or wounded 156 enemy soldiers; dismantled Vietnamese administrative networks in a commune and 3 villages; destroyed 14 weapons, a rice depot, a boat, and some ammunition and war materiel; seized 2 weapons and some ammunition and war materiel; and liberated 5 villages on the south Sisophon battlefield.

In a report broadcast at 2315 GMT on 24 May, VONADK says that between 5 and 19 May, DK forces on the Pursat, Siem Reap, Kompong Chhnang, Pailin, Kampot, and north Sisophon battlefields killed or wounded 81 enemy soldiers; dismantled administrative networks in 2 communes and 4 villages; destroyed 7 weapons, 3 commune office buildings, a truck, a barracks, and some ammunition and war materiel; and liberated 170 people forced by the Vietnamese to work on the Pursat battlefield.

On 25 May at 2315 GMT, VONADK reports that between 11 and 22 May, DK forces on the Stung Treng, Kompong Thom, Kampot, Peam Ta, south Sisophon, Kompong Cham, Siem Reap, Koh Kong Leu, and Leach battlefields killed 37 and wounded 37 enemy soldiers; dismantled administrative networks in a commune and 4 villages; destroyed 3 weapons, 2 commune offices, and some ammunition and war materiel; and seized 10 weapons and some ammunition and war materiel.

In a report broadcast on 26 May at 2315 GMT, VONADK says that between 15 and 23 May, DK forces on the Pailin, Kompong Thom, Battambang, Kampot, Takeo, Moung-Pursat, Kompong Chhnang, Peam Ta, and Chhep battlefields killed 44 and wounded 63 enemy soldiers; dismantled administrative networks in 3 communes and 10 villages; destroyed 7 weapons, 3 commune offices, a T-25 walkie-talkie, 240 meters of railroad track, and some ammunition and war materiel; seized 11 weapons and some ammunition and materiel; and liberated 14 villages on the Kompong Thom battlefield.

At 2315 GMT on 27 May, VONADK reports that between 5 and 24 May, DK forces on the Sisophon, Siem Reap, Kompong Thom, Battambang, Kampot, Kompong Som, Kompong Cham, and north Sisophon battlefields killed 78 and wounded 95 enemy soldiers; dismantled administrative networks in 3 communes and 12 villages; destroyed 21 weapons, a district office, 4 commune office buildings, a large rice mill, a barracks, a guard post, 4 trucks, and some documents, ammunition, and war materiel; seized a gun and some ammunition and war materiel; and liberated a district seat, a commune, and 10 villages on the east Battambang battlefield, 4 villages on the Kampot battlefield, and 4 villages on the Kompong Som battlefield.

On 28 May at 2315 GMT, VONADK reports that between 10 and 24 May, DK forces on the west Phnom Penh, Kampot, Kompong Chhnang, Siem Reap, Kompong Thom, northwest Phnom Penh, south Sisophon, Tonle Sap, and Leach battlefields killed 118 and wounded 121 enemy soldiers; dismantled administrative networks in a commune and 6 villages; destroyed 42 assorted weapons, a commune office, an army command post, 7 barracks, a C-25 radio, a boat, 145 meters of railroad track, and some ammunition and war materiel; and seized 25 weapons, and some ammunition and war materiel.

VONADK at 2315 GMT on 29 May reports that between 15 and 25 May, DK forces on the north Sisophon, Pailin, Samlot, and west Phnom Penh battlefields killed 71 and wounded 54 enemy soldiers; dismantled administrative networks in 7 villages; destroyed 11 weapons and a barrack; and seized 4 guns and some ammunition and war materiel.

/9738
CSO: 4212/82

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VOK REPORTS ON KPNLA, ANS BATTLE SUCCESSES

BK310808 (Clandestine) Voice of the Khmer in Cambodian 0500 GMT 31 May 86

[Text] Reports say that the armies of the three factions of the CGDK have been stepping up guerrilla attacks against the Vietnamese forces in the country.

The Khmer People's National Liberation Army [KPNLA] reported that on 10 May combatants of the 212th Battalion of Military Base 1,303 and combatants of Base 1,204 joined with DK forces to launch attacks against the Vietnamese Battalion D52-F479 and Battalion D5-E874 of Division F479 for 2 hours 45 minutes in the Kham Chham foret of Battambang District, Battambang Province. In this battle, KPNLA combatants killed 40 Vietnamese soldiers, including (Nguyen Van Mang), commander of Division F479; (Nguyen Van Tham), commander of Battalion D52-F479; (Nguyen Van Nam), commander of Battalion D5-E874; and a lieutenant and wounded 38 others who were taken away by their comrades. Moreover, it was learned that 80 other Vietnamese soldiers were reported missing. The Cambodian patriotic combatants seized 17 AK-47's, 1 automatic pistol, 1 RPD, 5 B-40's, 2 M-60 shells, 3 maps, 100 rucksacks, 37 canteens, 70 sets of clothes, 180 cans of beef, and 200 packages of rice and destroyed one 12.7-mm gun, 2 AK-57's, and 3 C-25 radios. Two Cambodian patriotic combatants were killed and another was wounded.

On 15 May a number of the Sihanoukist National Army [ANS] troops from the 212th Battalion, Military Base 1,303, conducting an operation in Kralanh District, Siem Reap Province, ambushed a Vietnamese battalion escorted by an M-113 armored car in the vicinity of Tralok village. The M-113 armored car was set ablaze. Five Vietnamese soldiers were killed on the spot and five others were wounded. The resistance forces suffered no losses.

On 20 May, a number of KPNLA combatants clashed with six battalions of Vietnamese and Heng Samrin soldiers about 1.5 kms northwest of Soem Monastery in Sisophon District, Battambang. The 1-hour battle resulted in three Vietnamese killed and several wounded, who were taken away by their comrades. A report on KPNLA casualties was not available.

The KPNLA reported that on 26 May ANS combatants of Commando Unit 305, 3d Division, clashed with a Vietnamese platoon west of Chroeng village, Samraong District, Siem Reap Province. After 20 minutes of fighting, two Vietnamese soldiers were found dead and another wounded. The ANS side suffered no losses.

On 27 May, ANS combatants of the same Commando Unit 305, 3d Division, traveling toward a point northwest of border marker No 12, clahsed with a group of Vietnamese soldiers lying in wait to tribber off DCL land mines against ANS combatants who were engaging Vietnamese forces. The 15-minute battle resulted in one Vietnamese killed and several injured. The ANS side suffered no losses.

/9738
CSO: 4212/82

SRV SHELLING OF REFUGEE CAMP CONDEMNED

BK010232 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 31 May 86

["Voice of Democratic Kampuchea's Condemnation of the Vietnamese Crime in Shelling the Cambodian Refugee Camp along the Thai Border"--date not given]

[Text] On 29 May, the Vietnamese aggressor troops in Cambodia fired artillery shells into a Cambodian refugee camp along the Thai border, killing 11 innocent Cambodian refugees--including 2 boys--and wounding many others.

The Voice of Democratic Kampuchea radio, on behalf of the Cambodian refugees and all Cambodian people, vehemently and arrogantly condemns this barbarous and criminal act of the Vietnamese aggressors and race exterminators. This is a heinous crime intentionally committed against the Cambodian people by the Vietnamese aggressors. Furthermore, this is not the first time such an event has taken place.

In the interior of Cambodia, the Vietnamese enemies have often fired artillery shells into our people's villages, killing innocent Cambodian people, including women and children, and destroying villages, houses, schools, hospitals, farms, cattle, and property of our people in a most barbarous manner. The Vietnamese enemies have pursued and even shelled the Cambodian people who fled to live in the camps along the border in order to kill them in a cruel and fascist manner. This is a part of the Vietnamese policy to exterminate the Khmer race.

The Cambodian people inside the country and the Cambodian refugees along the border appeal to the United Nations, various humanitarian organizations, and all peace- and justice-loving countries and people in the world to jointly condemn this heinous crime of the Vietnamese enemies and to jointly pressure the Hanoi aggressors to put an end to such a barbarous act of genocide against the Khmer race as well as prevent them from killing unarmed Cambodian people. The Cambodian people realize that the only effective measure is to jointly force the Hanoi Vietnamese authorities to accept the CGDK's 8-point peace proposal and to hold negotiations in order to discuss the immediate and unconditional withdrawal of all their aggressor troops from Cambodia and respect the Cambodian people's right to self-determination.

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CSO: 4212/82

VODK ASSESSES SECURITY MEASURES IN PHNOM PENH

BK020440 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 1 Jun 86

[Short article: "Why Do the Vietnamese Tighten up Security in Phrom Penh?"]

[Text] These last few days, the Hanoi Vietnamese clamored that in the whole of Cambodia, including Phnom Penh, security is assured. The Vietnamese also staged two farces to back up their claim. First, they invited some foreign journalists to visit Phnom Penh and the Poitpet area along the western border. Second, they staged the farce of pulling out 10,000 troops from Cambodia. All this is to dupe international opinion that Cambodia is enjoying full security and that the handful of puppets in Phnom Penh are in firm control of the situation in Cambodia, and so on.

However, observers and various journalists who have been in and out of the country all say that currently, the Vietnamese aggressors are tightening up security in and around Phnom Penh with the most stringent measures and have imposed a curfew from 2100 to 0500. International observers say that Vietnam is very concerned because guerrillas of Democratic Kampuchea have been carrying out more frequent activities against the Vietnamess around Phnom Penh, including the firing of rockets into Phnom Penh and frequently lobbying grenades inside the city. Therefore, these measures are aimed at preventing Democratic Kampuchean guerrillas from launching attacks in Phnom Penh. The report on tightened security measures by the Vietnamese in Phnom Penh exposes the Hanoi Vietnamese arrogant claim and deceitful propaganda that Cambodia is enjoying full security and that the handful of puppets in Phnom Penh are in full control of the situation. People are asking this question: If the Vietnamese cannot even defend Phnom Penh, the biggest den of the Vietnamese, how can they talk of security in the whole of the country and of the withdrawal of 10,000 Vietnamese troops?

The Cambodian people realize that no matter how stringent the Vietnamese measures are to ensure security in Phnom Penh, they cannot defend the Vietnamese in this city. This is because the Vietnamese are aggressors who are occupying a foreign country. It is like sitting on top of a volcano. They will certainly be opposed by the Cambodian people who will unite in fighting against the Vietnamese. Our Democratic Kampuchean National Army, which has the full assistance and support of the Cambodian people and fellow Cambodian soldiers among the Vietnamese ranks, will certainly intensify its activities to attack the Vietnamese until all of them are chased from Cambodian territory.

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CSO: 4212/82

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK CALLS PARTIAL SRV TROOP PULLOUT 'FARCE'

BK202406 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 1 Jun 86

[Station commentary: "No One Believes Vietnam Withdrew Its Troops From Cambodia"]

[Text] On 26 May, the Hanoi Vietnamese enemy aggressors worked hard to stage their farce of a partial troop withdrawal by inviting some foreign journalists to witness it in an attempt to dupe people into believing that Vietnam did pull out some troops from Cambodia. However, no matter how hard they tried or how good the Vietnamese were in staging this farce, no one believed them. This time, as soon as the Vietnamese disclosed their partial troop withdrawal trick, the international community immediately exposed and condemned it. People think that Vietnam has no intention of withdrawing its aggressor forces from Cambodia. The Vietnamese trick of a partial troop withdrawal from Cambodia is an attempt to avoid international opinion, which is clamoring for the withdrawal of all Vietnamese forces from Cambodia to let the Cambodian people decide their own destiny in accordance with the UN resolutions. People realize that the Hanoi Vietnamese have said that they have withdrawn some of their troops four times already. This is the fifth time. However, the number of Vietnamese aggressor troops in Cambodia has remained the same. The partial troop withdrawal claimed by the Vietnamese is just a rotation of troops. In other words, those soldiers who were wounded and afraid were replaced by fresh ones.

This is true. Every year, when they proclaim they are withdrawing some troops from Cambodia, the Vietnamese are sending fresh troops in large numbers to Cambodia, on the one hand to replace those soldiers who died or were wounded, and on the other to oppose the Democratic Kampuchean National Army and the Cambodian people who are intensifying their attacks against the Vietnamese year after year. In 1982, when the Vietnamese proclaimed their first partial troop withdrawal from Cambodia, 15,000 fresh troops were sent to the country. More troops were successively sent in. In the 1983 rainy season, the Vietnamese sent in 21,100 reinforcement troops; in the 1983-84 dry season, 25,000 were sent; in the 1984 rainy season, 24,400 were sent; in the 1984-85 dry season, 60,000 were sent; and in the past 8th dry season, the Vietnamese sent 30,000 reinforcement troops.

This year, along with their propaganda on the partial troop withdrawal from Cambodia, 130 truckloads of Vietnamese soldiers along with hundreds of Vietnamese families, have already been sent to Cambodia. Did the Vietnamese invite foreign journalists to witness these successive dispatches of reinforcements to Cambodia? No. Cambodia and Vietnam share thousands of kilometers of common border. Vietnam can send in reinforcements any time and along any route: along Routes No 1, 2, 22, 13, 19; along the Mekong River; or by sea to Kompong Som or Koh Kong. No journalists would be allowed to follow this. Therefore, no matter how hard the Vietnamese have tried in staging their partial troop withdrawal farce, no one has believed them. Even those journalists, invited by the Vietnamese to witness this farce, are not so poorly informed as to believe the Vietnamese. The international community has clearly determined that Vietnam should withdraw all its forces from Cambodia and let the Cambodians decide their own destiny through free elections with UN observers without outside interference. As long as Vietnam has not complied with this principle, people will continue to pressure Vietnam in every field until it stops its lies and deceits and agrees to withdraw all its forces from Cambodia to let the Cambodian people decide their own destiny as prescribed by the UN resolutions.

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CSO: 4212/82

COMMENTARY CONDEMNS SRV ATTACK ON SITE 8 CAMP

BK020734 (Clandestine) Voice of the Khmer in Cambodian 0500 GMT 2 Jun 86

[Political commentary: "An Unpardonable Act of Barbarity and Atrocity"]

[Text] As a general practice, the Vietnamese Communists have always committed inhuman acts of barbarity and atrocity against the civilians indiscriminately, but last week they shocked the world when their troops in Cambodia fired artillery shells into a camp of Cambodian civilians who fled from the Vietnamese oppression and shackles to take refuge in Thai territory.

This shelling was launched by Vietnamese troops at a base in Piopet town in Battambang Province against Site 8 which temporarily houses Cambodian refugees under the protection of the Thai Government and the care of the United Nations. Site 8 is in Thai territory. It is located in an area 2 km from the border about 50 km from Aranyaprathet District in Prachin Buri Province. Site 8 houses about 30,000 Cambodian civilians who formerly were under the protection of the CGDK's Democratic Kampuchean faction. Most of these 30,000 civilians are women and children. Activities of these Cambodian civilians do not relate to any political or military matter. The Royal Government of Thailand has allowed these Cambodian civilians to live in its territory for humanitarian reasons. This is why the ICRC and other hunanitarian organizations have given full support and assistance in taking good care of these innocent Cambodian civilians.

While the CGDK forces were intensifying their military activities inside the country far away from the border, the Hanoi troops faced great complications. It was difficult for them to pinpoint targets for their attack because the CGDK forces have divided themselves into small groups and launched operations in accordance with the guerrilla warfare methods, launching attacks here and there. This has caused great difficulties to the Vietnamese communist troops which used to be skillful in guerrilla tactics. For this reason, the Vietnamese military commanders turned their artillery on the camp of the innocent Cambodian civilians. This shelling resulted in 12 Cambodian civilians killed and 9 others wounded. The Thai Government sent a protest note to the United Nations strongly condemning the Vietnamese violation of the Thai territorial integrity and this inhuman and barbarous act against women and children living under the care of the United Nations and other humanitarian organizations. This barbarous act of the Vietnamese troops is an unpardonable crime. This shelling was launched immediately after the Hanoi authorities staged a farce by announcing the withdrawal of their troops from Cambodia.

The Hanoi authorities have often claimed that they love and pity the Cambodian people; is this the real meaning of their love and pity for the Cambodian people? We still remember very well that at the beginning of last dry season, the Vietnamese foreign minister boasted that he would not kill Cambodian civilians and would not violate Thai territorial integrity. On the contrary, this barbarous act clearly shows that the Vietnamese words and deeds are not the same. This barbarous act of the Vietnamese is unpardonable. The Vietnamese do not know humanitarian language. For this reason, in dealing with the Vietnamese, we must use the language of force as our Cambodians are using, that is launching attacks relentlessly against all these Vietnamese aggressor troops until Vietnam agrees to withdraw from Cambodia. All of this is for the peaceful future of Cambodia and the Cambodian people.

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CSO: 4212/82

VODK ON INCREASING OPPOSITION TO SRV OCCUPATION

BK040657 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 3 Jun 86

[Station commentary: "The Vietnamese Enemy Aggressors Cannot Cover Up the Fact That Cambodian Soldiers. Forced To Serve the Vietnamese, Are Revolting and Opposing Them"]

[Text] The Hanoi Vietnamese enemy aggressors are currently spreading verbiage to dupe people into believing that the puppet army they have set up has been greatly strengthened. They have also staged the so-called partial troop withdrawal in Phnom Penh and invited some foreign journalists to witness it and confirm their deceitful propaganda. Along with this, the Vietnamese ordered Hun Sen, their lackey in Phnom Penh, to hold a press conference to say that his forces have been strengthened--allowing Vietnam to withdraw some more troops from Cambodia--and that by 1990, even if there is no political solution to the Cambodian issue, Vietnam will be able to withdraw all its forces from Cambodia.

However, the international community--particularly those who have closely followed the Cambodian situation--clearly sees through this deceitful Vietnamese maneuver and is very amused. Currently, people are quite surprised that Cambodian soldiers, forced to serve the Vietnamese, are increasingly opposing the Vietnamese in every way, frequently revolting and turning their guns against Vietnamese soldiers and deserting the Vietnamese in greater numbers. Journalists and foreign guests who have been in and out of Phnom Penh have also confirmed this situation. So how can the Vietnamese enemy use the farce of partial troop withdrawal to cover this up?

The real situation on the battlefield also confirms that the Vietnamese have been spreading deceitful propaganda and lies. In truth, Cambodian troops, forced to serve the Vietnamese, have not become stronger but, on the contrary, these forces have been deteriorating because:

On the one hand, Cambodian soldiers forced to serve the Vietnamese are more aware of the Vietnamese policy of exterminating the Cambodian race in Cambodia and are more angry with the Vietnamese, who have been barbarously and savagely massacring our people. The Vietnamese have been maltreating our compatriots' families and relatives and even the Cambodian soldiers themselves. Therefore, they have united and are opposing the Vietnamese enemy aggressors more vigorously, particularly in the 8th dry season. These revolts are still continuing.

On 18 May, a company of Cambodian soldiers posted at Haong Samnam in Phnum Sruoch District, Kompong Speu Province, united and opposed the Vietnamese plan to send them to die in western Cambodia. Our compatriots deserted the Vietnamese and returned home or joined our national army, taking with them all their weapons. On 12 May, 36 Cambodian soldiers on the Phnum Dangrek battlefield deserted the Vietnamese and joined our national army. On 1 May, Cambodian soldiers in Siem Reap town revolted against Vietnamese soldiers who were drafting our youths to serve in the army; two Vietnamese soldiers were killed and three others wounded; the youths were freed. Our compatriots then fled home. On 19 April, a company of Cambodian soldiers on the Pursat battlefield ambushed a Vietnamese train leaving Phnom Penh for Battambang, destroying three cars fully loaded with materiel, and then fled home or joined our national army. On 20 April, a company of Cambodian soldiers at Anlung Chrey position in Thpong District, Kompong Speu Province, deserted the Vietnamese and returned home.

These are just some recent major examples. Apart from this, Cambodian soldiers have been deserting the Vietnamese daily. Along with this movement of Cambodian soldiers revolting and deserting the Vietnamese, our national army has been freeing Cambodian soldiers throughout the country. The Vietnamese themselves have been forced to dismantle many Cambodian military units because they no longer trust them. So, Cambodian troops who have been forced to serve the Vietnamese have been weakening; the Vietnamese cannot use them anymore. The Vietnamese will send in more reinforcements to resist the increasing attacks by the National Army of Democratic Kampuchea and the Cambodian people throughout the country.

The Vietnamese cannot use any pretext to cover up this deteriorating situation concerning Cambodian soldiers who have been forced to serve the Vietnamese. No matter how hard the Vietnamese have tried to spread their arrogant propaganda or stage their partial troop withdrawal, they cannot dupe anyone. On the contrary, the Vietnamese have been further exposed, denounced, and condemned by the international community.

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CSO: 4212/82

VODK ROUNDS UP SRV CASUALTIES IN MAY

BK040137 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 3 Jun 86

[Roundup of May Battle Results]

[Text] Koh Kong-Kompong Som battlefield: We killed 148 and wounded 130 Vietnamese enemy soldiers for a total of 278 casualties.

Leach-Peam Ta battlefield: 253 killed and 306 wounded. Total: 559 casualties.

Samlot battlefield: 105 killed and 116 wounded. Total: 221 casualties.

Pailin battlefield: 313 killed and 367 wounded. Total: 680 casualties.

South Sisophon battlefield: 149 killed and 173 wounded. Total: 322 casualties.

North Sisophon battlefield: 138 killed and 175 wounded. Total: 313 casualties.

Battambang and around Battambang battlefield: 157 killed and 212 wounded. Total: 369 casualties.

Siem Reap-Route 6 battlefield: 176 killed and 198 wounded. Total: 374 casualties.

Oddar Meanchey battlefield: 17 killed and 16 wounded. Total: 33 casualties.

Kompong Chom-Kompong Cham battlefield: 90 killed and 93 wounded. Total: 183 casualties.

Moung-Pursat battlefield: 114 killed and 124 wounded. Total: 238 casualties.

Kompong Chhnang battlefield: 73 killed and 76 wounded. Total: 149 casualties.

Tonle Sap battlefield: 8 killed and 10 wounded. Total: 18 casualties.

Phnom Penh and northwest Phnom Penh battlefield: 168 killed and 200 wounded. Total: 368 casualties.

North Phnom Penh battlefield: 10 killed and 11 wounded. Total: 21 casualties.

Northeast and eastern battlefield: 12 killed and 19 wounded: Total: 31 casualties.

Southwest battlefield: 91 killed and 114 wounded. Total: 205 casualties.

Grand total: 2,022 Vietnamese enemy soldiers killed and 2,340 wounded for a total of 4,362 casualties.

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CSO: 4212/82

VOK VIEWS UPCOMING SRV PLENUM, POSSIBLE CHANGES

BK030915 (Clandestine) Voice of the Khmer in Cambodian 0500 GMT 3 Jun 86

[Political commentary: "Will Vietnam Change Its Policy Regarding the Cambodian Problem?"]

[Text] It is expected that Vietnam might change its top leaders, at the 6th CPV Congress to be held at the end of this year. The three most important Vietnamese leaders are all very old. This has caused further anticipation that there might be a change in Vietnamese policies, particularly the policy in Cambodia. Is this possible?

It is natural that a group of leaders or an important leader might have influence over the country's policies, thus a change in leadership might cause a total or partial change in that country's policies. Thus, a change in the Vietnamese leadership might cause a total change or a partial change in Vietnamese policies and might affect a change in Vietnamese policy in Cambodia. Let's consider how far this matter might have developed and what is the cause of it.

It is quite difficult for us to guess about this matter because as a communist country, Vietnam will never reveal to its people anything it really wants to do. This is the opposite of free countries which have genuinely democratic regimes. However, one point the Vietnamese leaders can not conceal is their ambition to lord over Indochina in accordance with the behest of the late Ho Chi Minh. This matter has been laid bare. Therefore, it is impossible for the Vietnamese leaders to try to conceal it. The Vietnamese leaders--both those who are very old and about to retire, such as Le Duan, Pham Van Dong, and Truong Chinh, and the younger ones--have been compelled to follow this behest of Uncle Ho. It is impossible for us to understand the minds of the Vietnamese leaders who will take over power from the older ones. The only thing we know for sure is that these new leaders will be compelled by Uncle Ho's behest to strive on in order to turn Vietnam into the master of the Indochinese Federation with Cambodia and Laos as the satellites.

Therefore, we can assume that whether the Vietnamese policies change or not does not depend on old or new Vietnamese leaders. It is the all-round situation in Vietnam that will cause Vietnam to maintain its present rigid policies or change its policies in accordance with the concrete conditions for its own benefit. If so, we can say that should Vietnam change its policies after the CPV congress, it would be because of the intelligence of the new Vietnamese leaders. If they are smart enough, the new Vietnamese leaders will consider whether they can tolerate letting their national economy deteriorate further, their people suffer, and their country become totally isolated from the rest of the world in exchange for the occupation of Cambodia. If they are weak, they will certainy not see this problem. They will certainly be drowned in the same old ambition which will prevent them from seeing the real problem. If so, Vietnam will continue to suffer, the Vietnamese nationals will continue to come and die in Cambodia, and the Vietnamese people will certainly continue to risk their life fleeing by boat through the open sea.

On the contrary, if the new CPV leaders are smart enough, they will realize that the presence of Vietnamese troops in Cambodia will not enable them to realize Ho Chi Minh's dream nor make the Vietnamese people an honorable people in the world. Realizing this, the new Vietnamese leaders will decide to change their policies according to the developments in the world and to the aspirations of the Vietnamese and Cambodian peoples. Finally, Vietnam and Cambodia will become good neighbors coexisting peacefully. But how smart will the new Vietnamese leaders be? We Cambodians will let the Vietnamese leaders consider for themselves whether they should be smart or not. Our duty is to do every thing possible for the interests of our country and people. The Cambodians who are Buddhist followers really hate war, whether it is a war between our fellow Cambodians or with foreigners. But how can we stand idly by and see our Cambodia invaded and annexed by foreigners? The Cambodian people have given some active replies to this question. This is proved by the fact that the CGDK combatants have launched harassment attacks against the Vietnamese almost everywhere inside our country, the CGDK leaders have launched diplomatic activities actively, and the Cambodians working in the Heng Samrin regime who have been regarded by the Vietnamese as their puppets have launched vigorous activities against the Vietnamese. This is coupled with the activities of the Cambodian people from all walks of life who are showing Vietnam that no Cambodian wants the Vietnamese. All Cambodians want their country to be an independent and neutral country in which the Cambodian people enjoy genuine democratic rights and freedoms and the right to self-determination.

Briefly speaking, whether the Vietnamese policies will change or not is not only up to the Vietnamese but also to the Cambodian and other peoples in the world. Therefore, we the Cambodians who want independence from the Vietnamese, will not wait for Vietnamese mercy. We must show the Vietnamese our feat of arms and fervent determination as Cambodians.

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COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

BRIEFS

AMBUSHES IN PHNOM PENH--Phnom Penh battlefield: on 6 May our National Army ambushed and set ablaza an oil-container truck at a crossroad near O. Russei market in Phnom Penh. This container is capable of carrying 10,000 liters of fuel oil. A Vietnamese on the truck was killed and two others were wounded. On 15 May, our National Army attached the communications office for the Vietnamese Communications Service between: Phnom Penh and Battambang located at Kbal Thnal south of Phnom Penh. We killed a Vietnamese chief of the communications office and wounded two others. [Excerpt] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 31 May 86 BK] /9738

EUROPEAN TOUR--CGDK Prime Minister and KPNLF President Son Sann has left Bangkok on 31 May for France, which is the first leg of his tour. According to the KPNLF Information Office, in France His Excellency Son Sann will meet French Prime Minister Jacques Chirac, who is an old friend. He will also attend the Pacific Institute's conference. The KPNLF office added that His Excellency Son Sann's current visit is to seek aid for the KPNLF and additional support for the CGDK's 8-point peace proposal. Together with a number of other countries, the European Community has supported the CGDK's search for peace and strongly condemned the Vietnamese occupation of Cambodia. Besides France, His Excellency Son Sann will visit West Germany, Austria, Denmark, and probably Sweden. Earlier, the excellency paid a successful visit to Australia and New Zealand for the same purpose. [Text] [(Clandestine) Voice of the Khmer in Cambodian 0500 GMT 2 Jun 86 BK] /9738

BATTAMBANG MUTINY--On 6 May, the fraternal Cambodian soldiers posted at Chamka Chek adjacent to Battambang town mutinied against the Vietnamese enemies. They killed or wounded a number of Vietnamese enemies and set ablaze six tanks. This is a good deed made by the fraternal Cambodian soldiers at Chamka Chek adjacent to Battambang town as a contribution to attacking the Vietnamese enemies. Other fraternal Cambodian soldiers are called upon to follow this example. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 31 May 86 BK] /9738

ATTACK AGAINST BATTAMBANG TOWN--Battambang battlefield: On 22 May, our national army launched a 4-pronged attack against Battambang town from the east. The first prong attacked the Vietnamese command post at the Battambang University campus and the Sangke district office; the second prong attacked the Anlung Vil commune office and Anlung Vil town; the third prong attacked the network defending Sangke District; and the fourth prong attacked and dismantled the Vietnamese administrative network from Panhnha to Anlung Vil villages on Route 5. After a 30-minute battle, we took complete control on these four fronts. We killed 6 Vietnamese soldiers on the spot and wounded 13 others and liberated the Sangke district seat, Anlung Vil commune, and 10 villages: Anlung Vil, O Mani, Bos Kong, Chranin, Svay Chrum, Svay, Sok Chhma, Rumchek, Prey Chek, and Dong Pring. We destroyed a district office building, a commune office building in Anlung Vil, a big rice mill with 200 sacks of rice, and some documents and war materiel and seized some weapons, ammunition, and war materiel. [Excerpt] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 27 May 86 BK] /9738

ACTION IN NORTH SISOPHON--North Sisphon battlefield: On 12 and 18 May, a battalion of Vietnamese soldiers from Bat Trang and Sambuo position attempted to resist us north of Sambok Sat village. They were routed by our national army. We killed 13 Vietnamese enemy soldiers on the spot and wounded 10 others and destroyed some weapons, ammunition, and war materiel. On 18 May, seven Vietnamese trucks leaving Chruoy were ambushed by our national army south of Chumneang village. We destroyed three trucks and some weapons, ammunition, and materiel on the trucks; killed 10 and wounded 15 enemy soldiers; and seized 20 backpacks and some war materiel. [Excerpt] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 27 May 86 BK] /9738

CSO: 4212/82

SPK CITES HUN SEN ON VIETNAMESE WITHDRAWAL

OW271715 Hanoi VNA in English 1600 GMT 27 May 86

[Text] Hanoi, VNA 27 May--Prime Minister and Foreign Minister Hun Sen today told Kampuchean and foreign mass media workers about the comprehensive development of the People's Republic of Kampuchea, about the situation along the Kampuchean-Thai border, prospects for settling the Kampuchean question, and related matters, reports SPK.

Hun Sen was speaking at a press conference on the fifth partial withdrawal of Vietnamese troops, held at the "Chamcar Morn" Palace in Phnom Penh this afternoon. It was attended by correspondents and reporters from ABC, ADN, AFP, AKAHATA, PRENSA LATINA, TASS, TEMPO, VNA, VISNEWS, YOMURI SHIMBUN, TV-NBC, Soviet TV, NTV, TV-NHK, and Vietnam TV.

Hun Sen said: "This withdrawal, like the previous ones, demonstrates the growth of the Kampuchean Revolutionary Armed Forces and confirmed the promise made by the People's Republic of Kampuchea and the Socialist Republic of Vietnam to continue the gradual withdrawal of the Vietnam volunteer army, and complete it by 1990."

He added that unlike the previous years, there had been no major operations by the revolutionary armed forces this year. This is because Kampuchea's northwestern border has been secured since the 1984-85 dry season. The enemy has lost its footing along the border and has failed to carry out any sizable sabotage acts. Therefore, there was no need for the revoltuionary armed forces to take any major actions.

"This shows that the Kampuchean Armed Forces have grown in strength and that the security has been ensured in the whole country," Hun Sen remarked. "This situation has made it possible to effect the current withdrawal, as another sign of the sincere cooperation and assistance of Vietnam which always respects Kampuchea's independence," he pointed out.

On the Kampuchean-Thai border situation, Hun Sen said that it remained tense due to Thailand's continued support for the Khmer reactionaries' efforts to regain their lost positions and to conduct sabotage acts against the Kampuchean people. Thailand, he said, is an instrument to make good the threat imposed by the collusion between Chinese expansionism and U.S. imperialism. Kampuchea, he said, has proposed that its common border with Thailand be turend into a demilitarized zone of a security zone. But Thailand has rejected all these proposals and even taken a direct part in the conflict. "For this reason we are sealing off the border and will seal it off completely. Goodwill is only possible with people of goodwill," he stressed.

Concerning the defence line being built along the Kampuchea-Thai border, the prime minister stressed that it is "only for self-defence purposes."

On solution to the Kampuchean question Hun Sen said that developments in Kampuchea have given rise to two possibilities: either the question will be settled by itself by 1990 without any political solution, or a political solution will be found before 1990, on the basis of the elimination of the Pol Pot clique as a political and military organization. "I don't want to scare other concerned parties in this conflict, but settlement without political solution is a certainty, because of the good developments in Kampuchea," Hun Sen said. He added that the door, however, is still open for a political solution....

In answer to a question on the so-called "eight-point proposal," Hun Sen said there was nothing new in it, but the same attempt to bring the Pol Pot clique back to power in Kampuchea.

Hun Sen made clear that the proposal was masterminded by Beijing raised by the so-called "coalition government" and supported by certain circles in the ASEAN countries. But many people, Sihanouk as one, have debated that it can be accepted, Hun Sen noted.

Asked if the elimination of Pol Pot means the elimination of all his followers, Premier Hun Sen said any one who broke with the Pol Pot clique and returned to the revolution would be granted full citizenship, including the right to election. So far, he added, thousands of misled people have rallied to the revolution and have been helped to turn over a new leaf. "Sihanouk, too, if he wishes to put an end to his life in exile,return to the people, he will be welcome. It's up to him to decide," Hun Sen said.

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CSO: 4200/1105

REPORTAGE ON ACTIVITIES TO MARK CHILDREN'S DAY

Heng Samrin Issues Message

BK010422 Phnom Penh Domestic Service in Cambodian 2300 GMT 31 May 86

[Message of greetings to children from Heng Samrin, general secretary of the KPRP Central Committee and chairman of the PRK Council of State, on the occasion of the 36th International Children's Day--recorded]

[Text] Beloved children, boys and girls: On the occasion of the 36th International Children's Day, on behalf of the party Central Committee, Council of State, and the KUFNCD National Council, I extend to all boys and girls most profound feelings of intimacy and love and best wishes for your good health, strength, and wisdom so that you will be able to study well and work usefully for the fatherland and your parents.

Dear children, this year is the international year of peace. All progressive and peace-loving mankind in the world is jointly supporting the USSR's peace initiatives opposing the arms race and the threat of nuclear war and aiming at achieving disarmament in order to build a world which is peaceful and free from nuclear arms.

Cambodia is a nation which used to suffer from barbarous and protracted wars created by the French colonialists and U.S. imperialists and from the great destruction caused by the genocidal Pol Pot-Ieng Sary-Khieu Samphan clique--lackey of the Beijing Chinese hegemonist-expansionists. More than ever before, the Cambodian people desire to live in peace. But, having been revitalized by the Beijing hegemonist-expansionists in collusion with the U.S. imperialists and other international reactionary forces, particularly the ultrarightists in the Thai ruling circles, the reactionary Pol Pot-Ieng Sary-Khieu Samphan-Sihanouk-Son Sann groups have made every attempt to destroy our people's peaceful life. You and your parents were also victims of the genocidal regime. But you, boys and girls, have been rescued and brought back to life again by the party and state of the PRK and the Vietnamese Army volunteers. From liberation day to the present time, millions of children have returned to school and those orphans have been given most attentive care by our party and state. In response to this valuable benefaction, you should study hard and carry out the labor and emulation drive in order to train yourselves well and do good deeds, thus rendering yourselves worthy of the care given you by the party, state, teachers, and fraternal cadres in charge of children's care, and your parents, as well as the support and assistance given by friends throughout the world, particularly Vietnam, Laos, the Soviet Union, and other fraternal socialist countries. Through your activities, you should unite with the children of Vietnam, Laos, the Soviet Union, and other countries in the world. You should jointly struggle for the everlasting smile on the faces of all children in our world.

On this occasion, I would like to commend the Kampuchean People's Revolutionary Youth Union, the Kampuchean Revolutionary Youth Association, the teaching staff, teachers, cadres, parents, and all sectors at all levels which have actively participated in protecting and taking care of the children. I would like to extend deepest and most sincere thanks to the fraternal socialist countries, international organizations, and all children and friends throughout the world for their assistance to the Cambodian people and children in the past 7 years. I call on all party organs, state authorities, mass organizations, and all sectors to contribute to the protection and care of children through your respective activities and duties. You should create favorable conditions for our children to enjoy life, study, and train themselves in contribution to the defense and construction of the Cambodian fatherland.

I join with all of you, Cambodian boys and girls, in celebrating this occasion with love and care for you and confidence in our bright future.

Phnom Penh Celebrations

BK010702 Phnom Penh Domestic Service in Cambodian 0430 GMT 1 Jun 86

[Text] The Kampuchean People's Revolutionary Youth Union and the Phnom Penh Revolutionary Youth Association organized a grand meeting at the monument commemorating the Cambodian fallen combatants on the morning of 1 June to mark the 36th International Children's Day. Attending the meeting were members of the Kampuchean People's Revolutionary Youth Union, Kampuchean Revolutionary Youth Association, and of Phnom Penh's Youth Union and Association, and a large number of Young Pioneers. The meeting was honored by the presence of Comrade Chea Sim, member of the party Central Committee Political Bureau and chairman of the National Assembly, of the KUFNCD National Council, and of the national committee for the protection and care for children.

As part of the celebration of this International Children's Day, immunization shots were given to children at the reception hall of the Foreign Ministry. This ceremony was jointly organized by the Health Ministry and the Foreign Ministry. Alfo present were Comrade Chea Soth, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and minister of planning; diplomatic corps, representatives of embassies and international organizations in the PRK, and a large number of parents and children.

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CSO: 4212/83

CHEA SIM ATTENDS CHILD CARE COMMITTEE CEREMONY

BK271430 Phnom Penh Domestic Service in Cambodian 1300 GMT 27 May 86

[Text] A grand ceremony was held on the afternoon of 26 May at the office of the Kampuchean Revolutionary Youth Association to establish the national committee for the protection and care of Cambodian children and to publicize the document on the celebration of International Children's Day on 1 June by the Kampuchean People's Revolutionary Youth Union. The ceremony was presided over by Comrade Chea Sim, member of the party Central Committee Political Bureau and chairman of the KUFNCD National Council, of the PRK National Assembly, and of the National Committee for the Protection and Care of Cambodian children; Comrade Samsundoeun, member of the party Central Committee, acting chairman of the Kampuchean People's Revolutionary Youth Union, and vice chairman of the National Committee for the Protection and Care of Cambodian Children; and many other ministers, vice ministers, and party-state leaders who are members of this committee.

Comrade Chea Sim opened the ceremony and said that with the approval of the party Central Committee Political Bureau this national committee for the protection and care of the child had been established in response to the requirements of the revolution.

On this occasion Comrade Sam Sundoeun read a decision of the party Central Committee Political Bureau concerning the establishment of the National Committee for the Protection and Care of the Child with Comrade Chea Sim as its chairman.

Comrade Chea Sim also exhorted all participants to take good care of and educate children well so that they will be the successors of our revolution and contribute to building up and making the land of Angkor prosperous.

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CSO: 4212/83

PEOPLE'S REPUBLIC OF KAMPUCHEA

MILITARY PAPER URGES EMULATION TO MARK ARMY DAY

BK010802 Phnom Penh Domestic Service in Cambodian 1200 GMT 31 May 86

[KANGTOAP PADEVOAT editorial: "Enthusiastically Strive to Emulate in Making More Achievements to Welcome the Forthcoming 35th Anniversary of the KPRAF"]

[Text] On 19 June our revolutionary armed forces and people throughout the country will jointly celebrate the 35th anniversary of our KPRAF. In this sense, all units and all localities have been seethingly promoting the emulation drive in order to create more achievements to welcome this great festival. In the past, our KPRAF made all out efforts to overcome all difficulties and complications in conducting the emulation movement to defend and rebuild the fatherland, winning great successes in all fields. Several units, localities, and individuals have created outstanding feats and set good examples in their activities, closely strengthening solidarity and cooperation between cadres and combatants and particularly with the Vietnamese volunteer army. They have succeeded in combat and combat readiness duty, attacking and sweeping the enemy in the open as well as undercover, and ensuring stability in the living conditions of the people. Each cadre and combatant has displayed firm character, strong discipline, and clean ethics, deserving to be the revolutionary army of the people taking roots from the Issarak Army.

Besides propaganda work, our army has spared no efforts to help the people in production campaigns to improve their living conditions, thus winning the affection and trust of the people. Moreover, the army units have trained themselves in all military techniques and political aspects in order to raise their combat capacity to defend the fatherland even more vigorously and to strengthen themselves in all fields. Through this movement, we have screened and discovered many outstanding individuals, introducing them massively and successively into the party, thus intensifying the emulation movement and ensuring its momentum and quality.

Therefore, in order to further accelerate the emulation movement and to participate in the celebration of the forthcoming 35th anniversary of the KPRAF and the army-people solidarity day, first of all, the party and the command must pay close attention to thoroughly and constantly spreading the 5-point emulation movement, stressing mainly the three major points: to be ready to fight, to fight well, and to fulfill the task of maintaining good solidarity, upholding good discipline, and ensuring a good living standard as stipulated by the General Political Department. All these points must be carried out as soon as possible.

Units must implement combat and combat readiness duty to firmly defend their own positions and bases. It is permanently imperative to heighten the sense of mastery by seeking the enemy to destroy him. During combat, it is imperative to strive hard to crush as many enemy elements as possible, capture prisoners of war, seize weapons, and persuade as many enemy soldiers to surrender as possible, refraining from allowing the enemy to launch surprise attacks against us without warning.

At the border, efforts must be made to protect the people engaged in building the defense line, defend well all areas under control, and block, prevent, and minimize to the best of your ability all the infiltration activities of the enemy. Each day, efforts must be made to ensure safety for the people, communications lines, ministry and office buildings, warehouses, and state enterprises. Motivate the masses into attacking the enemy and building the real revolutionary forces in order to ensure the consolidation of each unit, each village, and each commune. Whip up a movement to incite the youths to volunteer for army service, organize the training for militia units, and carry out well two tasks, namely paying attention to village and commune militia forces and working out combat plans for them.

It is imperative to strengthen internal solidarity. Cadres must set examples in emulation, stay close to the combatants, and advise them in combat and in work. Maintain close solidarity with the people like fish in water, helping the people as best you can. Closely unite and cooperate with the Vietnamese volunteer army and the Vietnamese experts. Internal solidarity should be based on the constructive spirit of criticism and self-criticism. Help each other in order to bring about progress. Emulate in managing the units well. Respect discipline and state laws. Emulate in correctly distributing the rations supplied for combatants. See to it that these ratios reach the hands of combatants as intended. Do not be greedy or wasteful. Do not let the food rot away and be lost. See to it that the combatants on the battlefield enjoy moderate living conditions compared with the living conditions of the people in the rear.

If we can implement well all the contents of the emulation movement as described above, our KPRAF will certainly grow powerfull, the enemy will suffer one defeat after another until total annihilation, and the Canbodian fatherland will develop strongly, advancing step by step through transition toward genuine socialism. Then, our army will be recognized and acclaimed as having participated in celebrating the 35th anniversary of the KPRAF and the army-people solidarity day--19 June 1951-19 June 1986--which will be marked soon with success.

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CSO: 4212/83

RADIO CITES SUCCESS OF YOUTHS IN KOMPONG THOM

BK030706 Phnom Penh Domestic Service in Cambodian 0430 GMT 3 Jun 86

[Text] In the 1st quarter of 1986, youths from every locality in Kompong Thom Province sharpened their will to fight with a high sense of patriotism in the three emulation movements. Hundreds of youths have sacrificed their personal feelings and volunteered to serve in the army and militia force to actively contribute to the defense and construction of the fatherland.

In the field of fighting against the enemies, youths in the provincial armed forces ambushed and wiped out 69 enemy elements; 124 were killed on the spot; 365 were put out of action; 11 were taken prisoner; and some war materiel was seized. Along with this, our compatriots enthusiastically took part in searching out and uncovering hidden enemy elements and timely thwarted every psychological war and sabotage activity of the Pol Pot bandits and the reactionary Cambodians of Son Sann and Sihanouk by taking 66 of them prisoner.

Apart from fighting against the enemies, youths in Kompong Thom Province actively took part in the movement of national defense labor, vigorously advanced the building of the defense line along the Cambodian-Thai border, and scored even greater victories.

To further ensure greater strength on the front line battlefield, youths on the rear battlefield have paid attention to looking after families, which have benefitted the revolution both morally and materially. Furthermore, the youths have cooperated with state authorities and various mass organizations to win back misled persons and persuaded 207 of them to return to the fold bringing with them 74 assorted weapons.

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CSO: 4212/83

PEOPLE'S REPUBLIC OF KAMPUCHEA

AGRICULTURAL DEVELOPMENTS REPORTED FOR 26 MAY-1 JUNE PERIOD

BK020938 [Editorial Report] Cambodian media monitored by Bangkok Bureau carried the following reports on agricultural developments in Cambodia during the reporting period 26 May-1 June:

Kandal Province: Phnom Penh Domestic Service in Cambodian at 1300 GMT on 26 May reports that so far, the veterinary teams in Kandal Stoeng District have vaccinated 3,800 oxen against various diseases. SPK in English at 1147 GMT on 26 May reports that in the first 2 weeks of this month, the peasants in Phnom Penh district plowed 600 hectares of land and raised rice seedlings on 44 hectares. In this rainy season, the peasants are expected to plant rice on 9,500 hectares, including 5,000 hectares of long-term rice, 1,700 hectares of medium-term rice, and 1,800 hectares of ir-36 rice. The local agricultural service has provided the peasants with 100 metric tons of chemical fertilizer and prepared 1,000 liters of kerosene, 200 liters of insecticide, and 33 diesel pumps ready to be distributed to the peasants.

Battambang Province: Phnom Penh Domestic Service at 1300 GMT on 31 May reports that the peasants in Battambang District plan to grow 80,000 hectares of rice during this rainy season. They have so far plowed more than 7,000 hectares of land, including 4,800 hectares using tractors. They have also sowed 2,100 hectares of rice. The radio at 1300 GMT on 26 May reports that by mid-May, the peasants in Mongkolborei District had sowed more than 200 hectares of floating rice and more than 30 hectares of highland rice. They plan to grow 50,000 hectares of various types of rice this rainy season. According to SPK in English at 1147 GMT on 26 May, the peasants in Sangke District plan to cultivate rice on 40,000 hectares in this monsoon season. So far, they have plowed 1,800 hectares of land by tractors, 600 hectares of which were sown with floating rice.

Kompong Cham Province: According to SPK in English at 1147 GMT on 26 May, the peasants in Kroch Chhma District had by mid-May turned up 1,570 hectares of land and raised rice seedlings on 52 hectares. Besides rice, the peasants in this district covered 805 hectares with maize, 200 hectares with green beans, 77 hectares with sesame, and hundreds of hectares with industrial crops. Last dry season, the peasants gathered rice on 1,670 hectares, tobacco on 1,795 hectares, and subsidiary food and industrial crops on hundreds of thousands of hectares. SPK in English at 1156 GMT on 26 May reports that during the first quarter of this year, the workers at the "Samakki" rubber company in Kompong Cham Province extracted 1.35 million liters of latex on 4,315 hectares of rubber trees. SPK in French at 1130 GMT on 30 May reports that by mid-May, the peasants in Cheung Prey District of Kompong Cham Province had sold to the state more than 1,140 metric tons of paddy. The radio at 0430 GMT on 1 June reports that in current rainy season, the veterinary teams in Chamka Leu District vaccinated 500 cattle against various diseases. The radio at 0430 GMT on 30 May reports that the peasants in Cheung Prey District plan to grow 25,900 hectares of rice and 600 hectares of other crops this rainy season. By mid-May they had plowed 60 hectares of land and transplanted more than 40 hectares of rice. According to Phnom Penh radio at 0430 GMT on 27 May, by mid-May the trade service in Kompong Cham Province had bought more than 8,900 metric tons of paddy from the peasants. It also bought more than 2,200 metric tons of mungbean, 2,810 metric tons of sesame, and more than 861 metric tons of peanut. The radio at 1300 GMT on 26 May reports that in March, veterinary teams in Cheung Prey District vaccinated more than 940 oxen, more than 530 buffalo, and 280 hogs against various diseases.

Kompong Thom Province: According to SPK in English at 1105 GMT on 31 May, by the third week of May the peasants in Kompong Thom Province had plowed 12,500 hectares of land by tractors and by primitive means. They also put 7,800 hectares under floating rice by direct sowing. They plan to grow 130,000 hectares of rice this monsoon season. The radio at 0430 GMT on 1 June reports that so far, the peasants in Baray District had planted 270 hectares of dry-season rice and tilled 1,100 hectares of land with tractors. The radio at 1300 GMT on 30 May reports that by 22 May, the peasants in Kompong Thom Province had tilled almost 12,500 hectares of land.

Kompong Speu Province: Phnom Penh Domestic Service at 2300 GMT on 1 June reports that by 19 May, the peasants in Kompong Speu Province had harvested 1,006 hectares of dry season rice with a total yield of almost 2,300 metric tons. They also transplanted 178 hectares of rice, planted 135 hectares of subsidiary food crops, and produced more than 27,800 metric tons of natural fertilizer. SPK in French at 1555 GMT on 30 May reports that in this rainy season, the peasants in Udong District plan to grow rice on 11,500 hectares.

Kompong Province: Phnom Penh Domestic at 0430 GMT on 30 May reports that so far, the peasants in Baribo District have tilled more than 1,000 hectares of land and sowed more than 130 metric tons of floating rice seeds.

Kratie Province: SPK in French at 1212 GMT on 1 June reports that during last two rice-growing seasons, the peasants in Kratie Province planted some 12,000 hectares of rice and 3,000 hectares of subsidiary food crops. By the end of the first quarter of this year, they sold to the state 3,100 metric tons of paddy.

Pursat Province: The radio at 1300 GMT on 30 May reports that by mid-May, the peasants in Pursat Province had paid national contribution and sold more than 8,700 metric tons of paddy to the state. The radio at 0430 GMT on 27 May reports that the peasants in Pursat Province plan to grow 79,500 hectares of rainy-season rice. So far, the tractor operators have tilled more than 7,000 hectares out of the 10,000 hectares planned to be completed by them. During the same period, the peasants have broadcast 2,500 hectares of floating rice on the 10,500 hectares earmarked for this rainy season. SPK in French at 1212 GMT on 1 June reports that in April, the veterinary teams in the province vaccinated 7,660 oexn and buffalo against various diseases. At present the peasants in Pursat Province have 53,600 cattle.

Siem Reap-Oddar Meanchey Province: SPK in English at 1147 GMT on 26 May reports that since early March, the tractor operators in this province have turned up 2,430 hectares of the 4,000 hectares planned to be tilled mechanically for this monsoon season. Phnom Penh Domestic Service at 1300 GMT on 29 May reports that the peasants in Kralanh District plan to grow rainy-season rice on 24,500 hectares, including 600 hectares of floating rice. By mid-May, the tractor operators had plowed nearly 1,300 hectares of the planned 3,000 hectares of land. The radio at 1300 GMT on 26 May reports that by mid-April, the peasants in the province had sold more than 12,600 metric tons of paddy and gave almost 1,500 metric tons of paddy to the state as patriotic contribution.

Svay Rieng Province: The radio at 0430 GMT on 1 June reports that by the end of April, the peasants in Chantrea District had sold 1,200 metric tons of paddy and gave more than 100 other metric tons as national patriotic contribution to the state.

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CSO: 4212/83

PEOPLE'S REPUBLIC OF KAMPUCHEA

BRIEFS

REGIONAL FORCES' ACTIVITIES--Forces in Siem Reap-Oddar Meanchey in April killed 42 and wounded 91 enemy soldiers, took 14 prisoners, and persuaded 31 others to surrender. We seized 30 assorted weapons, more than 1,900 rounds of various types of ammunition, and a large quantity of war materiel. [Excerpt] [Phnom Penh Domestic Service in Cambodian 0430 GMT 22 May 86 BK] /9738

ACTIVITIES OF FORCES--At the beginning of May, a group of combatants of Unit A in close cooperation with a group of the Vietnamese army volunteers laid an ambush at an area 20 km west of Bua in Battambang Province. Thanks to our comrades-in-arms' combat readiness and sense of vigilance, they surrounded and killed eight enemies immediately after they crossed over from the other side of the border into this area. Our comrades-in-arms also seized five weapons and a large quantity of war materiel. Five days later, the armed forces of Battambang Province in cooperation with the Vietnamese comrades-in-arms laid an ambush at an area in Ta Hen in Battambang Province. A group of enemies ran into this ambush. After a short battle, we killed 30 enemies on the spot and seized a large quantity of war materiel. [Text] [Phnom Penh Domestic Service in Cambodian 1200 GMT 3 Jun 86 BK] /9738

ALL-ARMY SPORTS COMPETITION--A ceremony was held at the KPRAF stadium on the afternoon of 29 May under the chairmanship of Deputy Defense Minister Comrade Meas Kroch to close the 1986 all-army sports competition after 8 days of contests. Present in the ceremony as guests of honer were cadres representing the three general departments under the Defense Ministry and many cadres, combatants, personnel, and students from various Army schools. [Excerpt] [Phnom Penh Domestic Service in Cambodian 1200 GMT 3 Jun 86 BK] /9738

KAMPOT ARMED FORCES ACTIVITIES--During the 1985-86 dry-season campaign, the armed forces of Kampot Province, in close cooperation with the Vietnamese Army volunteers, killed 93 enemies, wounded 57 others, and seized 27 assorted weapons and a quantity of war materiel. They also stimulated the inhabitants to persuade misled persons to return to the fold. As a result of this effort, 225 misled persons deserted the enemy ranks and turned themselves in to the revolutionary authorities. [Summary] [Phnom Penh Domestic Service in Cambodian 1300 GMT 3 Jun 86 BK] /9738

DELEGATION EAST EUROPE TOUR--A delegation of the KUFNCD National Council led by Ros Chhun, alternate member of the party central committee and secretary general of the KUFNCD National Council, returned home on 29 May after paying a visit to the GDR and attending the 35th Congress of the Bulgarian National Agrarian Union. [Excerpt] [Phnom Penh Domestic Service in Cambodian 0430 GMT 31 May 86 BK] /9738

RETURNEES IN APRIL--During a month ending 20 April, 145 people misquided by enemy propaganda reported themselves to the revoltuionary administration in Siem Reap-Oddar Meanchey Province, 300 km northwest of Phnom Penh. They brought with them 67 fire-arms and a quantity of ammunition. The returnees were warmly welcomed by the local authorities and population and given reward and facilities to embark on a new life. [Text] [Phnom Penh SPK in English 0519 GMT 27 May 86 BK] /12232

COOPERATION AGREEMENT WITH MPR--Phnom Penh SPK, 22 May--A project on cultural and scientific cooperation for the period of 1986-1990 has been concluded by the People's Republic of Kampuchea and the People's Republic of Mongolia. The document signed in Hanoi by Tep Hen and O. Adian, respectively ambassadors of Kampuchea and Mongolia to Vietnam, is in conformity with the spirit of the 11 December 1981 treaty of friendship and cooperation between the two countries. [Text] [Phnom Penh SPK in English 1117 GMT 22 May 86 BK] /12232

ENVOY ON TROOP WITHDRAWAL--Hanoi VNA 24 May--The Kampuchean ambassador to Czechoslovakia has held a press conference in Prague on the upcoming partial withdrawal of Vietnamese army volunteers from Kampuchea. Addressing the conference Ambassador Chim Snguon said the situation in Kampuchea has become stable after the Kampuchean Revolutionary Armed Forces in coordination with Vietnamese army volunteers had obliterated all the hideouts of the Khmer reactionary bandits along the border with Thailand. This pull-out, he continued, will further the statements of the Indochinese summit and the 12th Indochinese ministerial conference defining the total withdrawal of the Vietnamese army volunteers from Kampuchea by 1990. Dealing with the Kampuchean-Thai relations, Chim Snguon reiterated the readiness of the People's Republic of Kampuchea for the normalization of its relations with Thailand. On the other hand he strongly condemned the Thai ruling circles for nurturing and backing the Khmer reactionaries in their sabotage against the Kampuchean revolution. [Text] [Hanoi VNA in English 1449 GMT 24 May 86 OW] /12232

CHEA SIM VISITS ORPHANAGE--Phnom Penh SPK 31 May--Chea Sim, president of the National Committee for Protection and Care for Children, visited Saturday morning the "Kolap Cuu Long" Orphanage in Phnom Penh, on the occasion of the International Children Day (1 June). Accompanied by Sam Sundoeun, president of the People's Revolutionary Youth Union of Kampuchea, Chea Sim, also Politburo member of the People's Revolutionary Party of Kampuchea Central Committee and chairman of both the National Assembly and the National Council of the United Front for Defence and Construction of the Kampuchean Fatherland, told the children at the orphanage to observe the discipline and to do their best in their study so as to make contributions to the national defence and construction. Chea Sim expressed his joy at seeing the gradual improvement in the living conditions of these orphans and recommended the staff members to further create favourable conditions for the children there to study. [Excerpts] [Phnom Penh SPK in English 1113 GMT 21 May 86 BK] /12232

SOVIET ASSISTANCE--Phnom Penh SPK, 31 May--For nearly 8 years now, since the overthrow of the genocidal Pol Pot regime, the Soviet Union has actively helped Kampuchea restore and develop agricultural production, especially food production. It has supplied Kampuchea with more than 1,000 tonnes of farm tools and machines, worth roughly 2 million roubles. A farm for experimental cultivation of rice, wheat, cotton and other industrial plants has been built also with Soviet assistance this year at Anlung Kngan, 12 km northwest of Phnom Penh. The farm is expected to expand from 28 to 1,500 ha. [Text] [Phnom Penh SPK in English 1059 GMT 31 May 86 BK] /12232

RETURNEES IN SIEM REAP--Phnom Penh SPK 31 May--Since early this year, 180 people misled by enemy propaganda have broken with the enemy and reported themselves to the revolutionary authorities in Varin District, Siem Reap-oddar Meanchey Province bringing along 165 fire arms. In May alone, 46 such people came over to the revolution in the above-mentioned district, bringing along 44 guns. [Text] [Phnom Penh SPK in English 1101 GMT 31 May 86 BK] /12232

SYMPATHY MESSAGE TO SRV--Phnom Penh SPK 31 May--Hun Sen, chairman of the Council of Ministers of the People's Republic of Kampuchea, expressed his sympathy to his Vietnamese counterpart Pham Van Dong over the heavy losses in lives and property caused by tornado 11 and 12 to the population in Vietnam's northern provinces of Han Nam Ninh and Thai Binh. He said in his message: On behalf of the entire people and Council of Ministers of Kampuchea and in my own name, I would like to express my profound sympathy with the fraternal Vietnamese people, the Government of the Socialist Republic of Vietnam, particularly with the victims. Under the clear-sighted leadership of the Government of Vietnam, I am convinced that the Vietnamese people will overcome all the consequences and the daily life of the population in the stricken areas will soon return to normal. [Text] [Phnom Penh SPK in English 1107 GMT 31 May 86 BK] /12232

YOUTH UNION MEMBERSHIP--For 1986, the Koh Kong Revolutionary Youth Union membership totals 4,572 people which is 89 percent of the population of young people in Koh Kong Province. [Excerpt] [Vientiane PASASON in Lao 13 May 86 p 3] /12232

CSO: 4207/110

FOREIGN MINISTRY CONDEMNS RSA ACTS AGAINST ANGOLA

OW101730 Hanoi VNA in English 1509 GMT 10 Jun 86

/Text/ Hanoi VNA 10 Jun--The Vietnamese Foreign Ministry today released a statement condemning South Africa's recent acts of aggression against sovereign and independent Angola.

The statement recalls that the South African forces on 5 June 1986 (?covertly) attacked the port of Namib in southern Angola, sinking one merchant ship of Cuba and heavily damaging two others of the Soviet Union and destroying several fuel depots of Angola.

It continues: "Following its open violations of the sovereignty of Zimbabwe, Zambia, Botswana, the recent piratical act of the Pretoria administration, backed by U.S.-led imperialism, against the independence and sovereignty of Angola have aggravated the tension in southern Africa. /no end quote as received/

"This is a new escalation of aggression and an evidence of state terrorism taken by the apartheid South African administration, a tool of imperialism, against independence, sovereignty, peace and security of all African nations."

"The people and the government of Vietnam strongly condemn these acts of aggression by the South African administration against Angola and demand that it put an immediate end to its acts of piracy, stop lending a hand to the UNITA bandists, and respect independence, sovereignty and territorial integrity of Angola and other countries," the statement stresses.

"The Vietnamese people and government reaffirm their militant solidarity and full support for the just struggle of the Angolan and other southern African peoples for defending their national independence and sovereignty and eliminating apartheid to the root," concludes the statement.

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CSO: 4200/1125

STATE PERFORMING ARTS CORP EXPANDS FOREIGN TIES

OW110829 Hanoi VNA in English 0715 GMT 11 Jun 86

/Text/ Hanoi VNA 11 Jun--The Vietnam State Performing Arts Corporation (VINACONCERT) has been founded with the mission of introducing Vietnamese arts to foreign audiences and foreign arts to the public in the country.

It has so far established relations with art organizations and artistes in most socialist countries and many other countries including India, the Federal Republic of Germany, Japan, France, Italy, Great Britain, Belgium, Switzerland, Holland and Finland.

It has arranged performance tours of Vietnamese groups or individual artists abroad under the logo featuring a monochord cutting through the globe. These include long performance tours by piano laureate Dang Thai Son under contracts reached with Val de Mallete (France) and Japan Arts.

This was followed by visits of various stage art troups such as classicial opera, "reformed drama," water puppetry and folk music to many European countries.

Many music fans in the FRG, Italy, Belgium, Holland, France...have written complimentary letters to the Vietnamese artistes, wishing to see and hear more often of them. The International Company of Music (ICM) in the United States as invited Dang Thai Son to perform in the United States, but the U.S. Government has not yet given him a visa.

/12228
CSO: 4200/1125

BRIEFS

CEMA AID IN FOOD INDUSTRY--The Council for Mutual Economic Assistance--CEMA--has decided to help Vietnam and Mongolia develop their food industry. The decision was made at the 46th session of the CEMA Permanent Committee recently held in Prague, Czechoslovakia. Delegates to this session also discussed the implementation of the overall program for /words indistinct/ progress till the year 2000. /Text/ /Hanoi International Service in English 1000 GMT 9 Jun 86 BK/ 12228

COOPERATION WITH PRK PROVINCES--Hanoi VNA 9 Jun--Right after Kampuchea's liberation in January 1979, the population of Kompong Chnang Province received assistance from Vietnam's province of Hau Giang. Between 1979 and 1983, Hau Giang presented Kompong Chnang with 35,00 tonnes of seed rice, 55 tonnes of maize, 240 tonnes of vegetable seeds, 55 tonnes of potatoes, 80 tonnes of fertilizer, and a quantity of farm tools, insecticide and sprayers. To help Kompong Chnang step up education, Hau Giang sent 100,000 copies of exercise book and a large quantity of teaching aids. Since mid-1984, the relations between the twin provinces have been marked with a new stage. Under the cooperation agreement for 1984-1985 signed on 16 June 1984, Hau Giang sent Kampong Chnang experts, seeds, fertilizers, etc. to help it in intensive farming. In November 1985, a cooperation agreement for 1986 was signed. Under this agreement, Kompong Chnang has got gratuitous aid consisting of equipment and chemical products for junior high school laboratories, tree-protecting and veterinary stations. The health care service of Hau Giang sent experts to fight malaria and open refresher courses for sanitary workers. Three courses on agricultural technique and management were also opened. /Text/ /Hanoi VNA in English 1454 GMT 9 Jun 86 OW/ 12228

ENVOYS FROM NEPAL, BURUNDI--Hanoi VNA 9 Jun--Bibya Deo Bhatt and Jonathas Niyungeko, ambassadors of the Kingdom of Nepal and the Republic of Burundi, respectively, today presented on separate occasions their credentials to Vice President of the State Council Nguyen Huu Tho. Vice President Nguyen Huu Tho had cordial talks with the Nepalese and Burundian diplomats. /Text/ /Hanoi VNA in English 1458 GMT 9 Jun 86 OW/ 12228

CSO: 4200/1125

CONTENTS OF APRIL 1986 TAP CHI QUAN DOI NHAN DAN

Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese Apr 86

[Text] Following are the contents of the April 1986 issue of TAP CHI QUAN DOI NHAN DAN:

1. Text of Le Duan's speech at the 27th CPSU Congress on 26 February 1986 in Moscow. (pp 1-4; Filed as OW261658 from Hanoi VNA in English 26 Feb 86)

2. Article by Lieutenant General Nguyen The Bon: "Further Enhance the Quality of Training in Line With Combat Duty" emphasizing that the basic principle of troop training is to conduct training in a truly realistic manner to make troops thoroughly familiar with combat realities. (pp 6-12)

3. Senior Colonel Le Tien's article: "Defeat the Enemy's Scheme of Sabotage War Through Its Commodities" on China's schemes to smuggle goods into Vietnam and use them as bait to corrupt Vietnamese cadres, collect intelligence information, and sabotage the Vietnamese economy. (pp 13-20)

4. Major General Le Xuan Luu's article: "Some Questions on the Fostering of Intellectual Aptitude and the Quality of Reflection for Command Cadres of Tactical and Campaign Levels" on the need to comprehensively improve the ability and quality of army command cadres, especially in schools and institutes, by clearly determining the operational scope and conditions for cadres so that they can know how to profoundly and comprehensively grasp the situation under all circumstances. (pp 21-27)

5. Senior Colonel Nguyen Tien Phat's article: "Control and Prevention of Chemical and Biological Weapons in the Local People's War" on the preparations for a modern war by the aggressive forces in which chemical and biological weapons would play an important role, recalling the CBW waged by the United States and China in many places in the world previously and at present. (pp 28-33 and 57)

6. Major General Nguyen Ngoc Thad's article: "Develop the Fine Tradition of Victoriously Fulfilling the Medical Corps' Duty" marking the 40th founding anniversary of the army's medical corps by reviewing the past achievements of the corps and presenting measures to improve the corps in the future. (pp 34-40, 70)

7. Article by Soviet historian, Colonel V. (Kalasnikov): "V.I. Lenin and the Problem of Defending the Socialist Fatherland" presenting Leninist theory of socialist national defense as an important contribution to history and as a part and parcel of the revolutionary theory of Leninist socialism. (pp 41-57)

8. Article by Senior Colonel Pham Van Cuc and Major Nguyen Van Luc: "The Local People's Warfare in the Counteroffensive Campaign" presenting the counteroffensive tactics as one of the three basic forms of combat by the Vietnamese Armed Forces to defend the country. (pp 58-62)

9. Senior Colonel Trieu Minh Tan's article: "T Group Participates in Developing the Economy in a Northern Border Province" reviewing the achievements of T Group in developing the economy of B Province. (pp 63-70)

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END

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27 JUNE 1986

Southeast Asia Report

FBIS FOREIGN BROADCAST INFORMATION SERVICE

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Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

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UNITED DEVELOPMENT PARTY RIFT REPORTED

Jakarta PELITA in Indonesian 30 Apr 86 pp 1, 12

[Text] Jakarta, PELITA--Only recently recovered from a period of crisis, the United Development Party (PPP) apparently will be shaken by new problems in connection with the 1987 general elections. As Soedardji, chairman of the Central Executive Council of the party, commented to a PELITA representative in the Parliament building on 29 April: "In fact, the conflict within the PPP is not yet completely healed."

The chairman of the United Development Faction in Parliament received a delegation from the West Java and Jakarta Provincial Executive Councils of the party at the Parliament building on 29 April. Among other things the two delegations asked that H. J. Naro be dismissed from his position as general chairman of the Central Executive Council of the PPP. In addition, the Jakarta delegation, led by H. Chomsani, reported that there is unrest within the PPP, both at the central as well as the provincial and branch levels. Meanwhile, the West Java delegation, led by I. Hidayat Zaini and Hotma Tarapul, asked that the Central Executive Council of the PPP reorganize the party structure.

Unauthorized

According to Soedardji, until recently the PPP was going through an internal conflict. It was proved that H. J. Naro, the general chairman, was deliberately organizing a party faction in Parliament which was not subject to party control.

He added in a sharp tone that such a development would certainly endanger Pancasila style democracy. In addition, this would clearly damage the image of Parliament, even though what Naro was organizing was only a small group of people, compared to the total membership of Parliament of some 400 people. According to Soedardji, the general chairman of the Central Executive Council of the PPP is acting in this way because he cannot achieve his aspirations. Clearly, the party which he is leading is a failure as a channel for his aspirations. He added: "This is particularly true of the people who are directly subject to his leadership."

Because he perceived the unfavorable image which was being displayed by Naro, Soedardji, as chairman of the Central Executive Council of the PPP, felt that he was called on to join in assuming responsibility for repairing the damage to the party image. He said that he, as chairman of the Central Executive Council and with support from within the party, is the appropriate person to take steps to deal with the efforts being made by Naro's friends at present.

Later, Soedardji mentioned that the efforts being made by his group included preparing draft legislation and ensuring that the draft bill is enacted into law. He said, with a frown on his forehead: "This is what we must guard against. The party must not be damaged by certain persons who do not wish to see how successful the efforts made by their friends have been."

He again stated firmly that, as evidence of the fact that the problems within the PPP are not yet settled, the PPP faction in Parliament is acting on its own, outside the party. As a result, the party is not functioning as it should. He declared: "I know this is true." On the other hand, he added, Naro would like to get rid of party members who do not follow his leadership. Those party members have a rather high sense of dedication and were among those who accepted the Pancasila as the single founding principle of the party. This is a problem, particularly in the preparation of the list of parliamentary candidates.

Already Formed?

He again emphasized: "As chairman of the Central Executive Council, I, of course, must protect my friends , so that they can be included in the future list of candidates." He gave the following reason: in accordance with the provisions of existing law, the list of candidates only needs to be signed by the chairman of the party. He said: "It does not have to be signed by the general chairman."

He stated: "Ismail Mokobombang and I will sign the list of candidates."

When he was asked whether the list of candidates of his group would be fully legal, he said: "The chairman and the secretary are confirmed under the law."

He also did not exclude the possibility that there will be a list of candidates from another group in the party, such as the Naro faction. He said, ending the interview because he felt very tired: "This kind of thing can happen because the PPP is faced with internal conflicts."

Not Legal

Meanwhile, Doctor Mardinsyah, secretary general of the Central Executive Council of the PPP, contacted by a PELITA representative on 29 April in his office, said that those who met with Soedardji in the Parliament building had not acted in accordance with the party constitution and the provisions of existing law.

He declared that there is an agreement between the government and the PPP which provides that only those persons elected on the basis of what was decided by the national congress are entitled to act in the name of the party. He declared: "The government will not recognize the existence of rival party organizations."

This agreement, Mardinsyah continued, was reached at the meeting between the government and the PPP held on 18 December 1985 at the Hotel Kartika Chandra. The government side was represented by the commander of the Indonesian Armed Forces and commander of the Security and Order Command, as well as the minister of home affairs, as domestic political coordinator. At the time the minister was represented by his director general for social and political affairs. The party delegation at the meeting was represented by the Central Executive Council and the Provincial Executive Council.

The national congress of the party, he added, was held in August 1984 at Ancol, in Jakarta. At the national congress H. J. Naro was elected general chairman and, at the same time, was made the single person responsible for organizing the party. It was on the basis of this election that the party set out its executive leadership at the central and provincial levels.

The Central Executive Council of the PPP decided that at the provincial and branch levels the process of choosing its executive leaders would be handled through provincial and branch conferences. Then, later on, the Central Executive Council would approve the choices made by means of a letter of decision signed by the general chairman and the secretary general.

He said: "Those people taking this action in Parliament are not included among those approved by the Central Executive Council of the PPP." For that reason, he added, according to the party constitution, whatever they do is illegal. And, therefore, the government will not recognize the actions they take.

Answering questions, Mardinsyah stated that the accusation which they make against the general chairman of the PPP has really already been contradicted by the the state prosecutor's office itself. He added: "For that reason, what they have done is illegal in both form and substance."

When a PELITA representative asked what action will be taken by the Central Executive Council of the PPP against Soedardji because of his willingness to support an "illegal" delegation, the secretary general of the PPP said: "We will adopt a wait and see attitude."

He added: "What Soedardji has done, in fact, has been to show disrespect for the policy followed by the government."

He said that the PPP itself has not yet taken any action. Although this was not the first time that Soedardji has acted in this way, the Central Executive Council of the PPP will not take any action in the near future. He added: "Up to now the party's action has emphasized the consideration that the party will always wait for those who have gone astray to become aware of what they have done."

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RESULTS OF ANTI-GUERRILLA CAMPAIGN IN KALIMANTAN REPORTED

Jakarta HARIAN UMUM AB in Indonesian 28 Apr 86 pp 1, 3

[Excerpts] Jakarta, HARIAN UMUM AB--Operations to wipe out the remnants of guerrillas belonging to the GPK (Security Disturbance Group), the PGRS [Sarawak People's Guerrilla Troops], and the PARAKU [North Kalimantan People's Troops] in the border areas of Kalimantan are still going on and are being undertaken in an intensive way. A number of members of these armed groups have been rounded up, including those recently captured by forces of Military District 121/ABW (Alambhana Wanawai).

Along with the members of these armed groups who have been captured, the Army also succeeded in seizing 25 guns and rifles of various kinds, together with ammunition. All of these results of the operation to wipe out the remnants of the PGRS/PARAKU groups were reported by Col (Infantry) H. B. L. Mantiri, commander of Military District 121/ABW in West Kalimantan, to Gen L. B. Moerdani, the commander of the Indonesian Armed Forces and of the Security and Order Command, who made a working visit to Pontianak on 25 April. Prior to the presentation of Colonel Mantiri's report, Maj Gen Faisal Tanjung, commander of Military Area VI/Tanjung Pura, reported in general, introductory terms on various aspects of the operation.

The Chinese and the Communists

The remnants of the GPK-PGRS/PARAKU who were captured were Chinese men and women, and it turned out that they were communist cadres. That was proved by the documents on communism seized from them.

Among the documents captured was a copy of a letter sent to Mainland China which described the struggle they were carrying on. It was learned from the documents that among them are those who want to make use of the Armed Farmers Struggle Group in their efforts to bring communism back.

Another thing observed from the appearance of the communist armed rebel remnants who were captured is that they show no signs of wishing to give up. All of them reflected a determined attitude, like the appearance of their friends, many of whom were captured in 1968, as was once observed by the chief of the Information Center of the Indonesian Armed Forces who, at the time, was still the the chief of the Information Service of Military Region XII/Tanjung

Pura. This shows that, however small their numbers, they represent a latent communist danger, against which we must always remain alert.

Not on a Large Scale

Regarding the operation to wipe out the guerrillas, General L. B. Moerdani, the commander of the Indonesian Armed Forces and of the Security and Order Command, said that, in fact, it was not on a large scale. However, in view of the results achieved, it was very useful.

General Moerdani said: "The operation has been going on for a rather long time. Because the guerrilla remnants were in a large area, this problem could not be solved very easily in a relatively short time. For that reason the operation to wipe them out had to be carried on in an intensive and continuing way."

The task of wiping out the guerrilla remnants was originally assigned to Military Region XII/Tanjung Pura. However, later on, with the reorganization under which the status of West Kalimantan in the Indonesian Armed Forces changed from that of a military region to a military district, the task and responsibility for ensuring its security, in addition to wiping out the guerrilla remnants, were turned over to Military District 121/ABW.

In the implementation of the operation, in particular. staff elements of the military district were directly involved in field activity. In view of their nearness to actual operations, orders for the implementation of the task could be transmitted more quickly and in a more coordinated fashion, so that it was possible to achieve the desired goal in the manner hoped for. This is an advantage resulting from the reorganization of the Indonesian Armed Forces, which has begun to be completed in the field.

Accompanying the commander of the Indonesian Armed Forces and commander of the Security and Order Command during his working visit to West Kalimantan were Lt Gen Dading Kalbuadi, the chief of the general staff of the Indonesian Armed Forces, and Commodore Soedibjo and Air Commodore Teddy Rusdi, assistants to the chief of the general staff of the Indonesian Armed Forces.

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INDONESIA

PROBLEMS OF TRANSMIGRATION PROGRAM DESCRIBED

Jakarta TEMPO in Indonesian 26 Apr 86 pp 16-17

[Text] The budget for the transmigration program has been sharply reduced by more than 40 percent. However, even prior to this step, the program has never been fully carried out. Unexpended budgetary funds have been available every year.

This is a bitter time for Minister of Transmigration Martono, among other people. The problem is that for the first time since the First 5-Year Plan was adopted, the transmigration target has had to be reduced deliberately. Speaking frankly, Minister Martono said that the prestige of the department which he heads "will be lower this year, and not like in the past."

Furthermore, this lower prestige is not due to the recession. The state budget has had to be drafted realistically. As a result, the national budget for the transmigration program has been reduced by about 40 percent--more than ever before. During the past fiscal year the budget amounted to about 578.257 billion rupiahs. In the new fiscal year, which began on 1 April, the budget will be only 325.4 billion rupiahs.

Consequently, reducing the budgetary funds will certainly affect the transmigration program, as has happened in East Kalimantan, for example. During the 1985 fiscal year 26.5 billion rupiahs were provided for the province for use on 14 transmigration projects. This year there will only be 4 billion rupiahs available for two projects. Consequently, a number of programs will have to be reviewed. Indeed, some of them will have to be completely canceled. Furthermore, Wargito Rahardjo, chief of the East Kalimantan Provincial Transmigration Office, said: "There will also be a reduction in the number of personnel available for the program."

One transmigration program which will be canceled will be the Talisayan project in Berau Regency, which was planned to accommodate 874 families. So will another project at Muara Ancalong, Kutai Regency, which was to accommodate 800 families. Wargito said further: "Fortunately, the preparation of those two projects had not begun at all." If preparations had been made there, they would certainly have been wasted.

Indeed, there are five project locations which are being left unfinished, as there are no resettlement funds available for them. However, the land has been cleared and houses for the transmigrants have also been built. How much did this cost? Wargito said: "We haven't yet completed the inventory." Nevertheless, the provisional results of the budget reduction indicate that the preparation of more than 12,000 hectares and the construction of about 644 houses in 5 resettlement locations have been left uncompleted.

The number of workers in the transmigration sector has also been reduced. At present, transmigration projects in East Kalimantan as a whole employ 14 project directors, 12 personnel transferred from the Department of Public Works, 5 from the Department of Defense and Security, and about 740 salaried workers. The number of salaried workers will be reduced and the personnel assigned to the transmigration program from the Department of Public Works will be returned to their original department. Wargito added: "Of those seconded from the Department of Defense and Security, just two will be left. Out of the 14 project directors, there will just be 2 left."

In Minister Martono's opinion it is logical for the number of project directors to be reduced. He said: "This is the right thing to do." As a result of the reduction in the budget, the program will have to be cut. He said: "Logically, there would be project directors who no longer have a job." Indeed, the Department of Transmigration has been forced to change its policy. Up to now some 80 percent of the general transmigration program has been financed by the government, while the rest of the transmigration program has been devoted to transmigrants who go of their own volition and local transmigration projects. He said: "Transmigrants who go of their own volition will receive greater emphasis."

However, apart from the reduction in the budget this year, the failure to resettle transmigrants is not something new. This also happened when the government had a great deal of money available from oil receipts. The failure of the program results from a number of causes. These include conflicts of interest with the Department of Forestry. For example, as Minister Martono mentioned himself, this also happened in East Kalimantan.

In this province there are projects which are 80 percent financed by the World Bank, with the remaining funds coming from the state budget. The target is that over a period of 5 years 10,970 families can be resettled. However, it has turned out that in the best year only 1,500 families were resettled. This failure is not because of reduced funds. When it was desired to clear the land, it turned out that the forest was controlled by people holding Forestry Concession Licenses (HPH). It was necessary to hold discussions between the owners of the HPH licenses and the Department of Forestry. Martono said: "The discussions took a long time, and, as a result, first priority was given to the holders of the HPH licenses."

With this exception the amount of funds available in the state budget do not reflect actual program performance. For example, almost every year there were funds left over from the Development Budget [SIAP] for the transmigration program in South Kalimantan. During fiscal year 1984-85 these unused budgetary funds amounted to 11 billion rupiahs, while in fiscal year 1985-86 they amounted to 8 billion rupiahs. As a result, with a smaller budget, the program may be more realistic, compared with the program planned for up to now.

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1986 RICE OUTPUT EXPECTED TO RISE

Jakarta SUARA KARYA in Indonesian 26 Apr 86 p 3

[Text] Jakarta, SUARA KARYA--Indonesian rice production in 1986, according to Estimate No 1 of the Central Statistical Office (BPS), is expected to increase by 0.18 percent, compared to production in 1985, which amounted to 26,537,000 tons. Engineer Wardoyo, deputy minister for the increased production of food, made this statement to the press in his office on 25 April.

The rice production estimate is issued three times a year by the BPS, covering two planting seasons (the rainy and dry season). In this way definite and official figures are obtained. Among other things the estimate is based on the area planted and harvested, as well as conditions before, during, and after the harvest.

In his presentation to the "Technical Consultative Meeting on the Development of the Rice Processing Industry," held by BULOG on 19 March 1986 in Jakarta, Deputy Minister Wardoyo said that the rice production target would be held down to a level of 26,867,000 tons, or an increase of 1.24 percent by comparison with 1985.

According to the deputy minister, the increase in the production of rice in 1986 would be the smallest by comparison with previous years. In 1985 Indonesian rice production increased by 2.5 percent, compared with 1984; and 1984 production increased by 7 percent, compared with 1983. During the First, Second, and Third 5-Year Plans Indonesian rice production increased rather sharply, by 4.8, 3.9, and 6.5 percent annually.

Wardoyo stated that the small increase in rice production in 1986 reflects a deliberate decision to ensure that the storage capacity of existing warehouses is not exceeded and at the same time to give the farmers an opportunity to diversify their planting with other, valuable crops, such as corn and soybeans. He said: "It turns out that the rice harvest area in 1986 will probably be 300,000 hectares smaller than it was in 1985."

He admitted that the smaller increase in production cannot go on continuously. He stated: "If this happens, a red light would go on, because eventually production would not be enough to meet consumption needs. Consequently, we would again have to import rice."

To ensure against the possibility that increased rice production will no longer occur, Deputy Minister Wardoyo said that we must now begin to try to make use of other forms of technology, such as new and higher yielding varieties of rice. The deputy minister mentioned "new rice varieties, such as Batang Pane and Progo, which are more productive, compared to the IR-36 and Cisadane varieties."

He declared that the technological package which he is considering and which brings results relatively quickly involves broadening the use of organic or cattle fertilizer, because it turns out that not even half of the area covered by flooded rice fields in Indonesia uses that kind of fertilizer. According to Wardoyo, in addition to organic fertilizer, we need to consider the use of calcium fertilizer containing trace elements of zinc, magnesium, sulphur, and barium.

He admitted that the use of inputs containing those elements would increase the cost of production of rice. However, if the farmers see the results, they certainly will not object to it.

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INDONESIA

DECLINE IN PROFITS OF KRAKATAU STEEL CORPORATION REPORTED

Jakarta MERDEKA in Indonesian 30 Apr 86 p 9

[Text] Jakarta, 29 April, MERDEKA--During the first quarter of 1986 PT Krakatau Steel had profits of $78 million, Engr T. Ari Wibowo, president and director of Krakatau Steel, announced to the press in Jakarta on 29 April.

He said that profits were lower or had declined by $2 million, compared with profits made by the company during the same period of 1985, when they amounted to $80 million.

According to T. Ari Wibowo, production by Krakatau Steel during the first quarter of 1986 amounted to about 761,472 tons, or an increase of about 51.214 percent, compared to production during the same period of 1985, when it amounted to 484,352 tons.

During the first quarter of 1986 production consisted of 306,203 tons of sponge steel, 139,948 tons of slab steel, 127,963 tons of hot rolled coil steel, 101,043 tons of steel billets, 48,547 tons of steel rods, 31,536 tons of steel shapes, 2,574 tons of profile steel, and 3,658 tons of steel wire.

According to Engr Ari Wibowo, during 1986 Krakatau Steel has budgetary funds for the production of 3.0 million tons of steel.

He is convinced that Krakatau Steel will be able to reach this production level, because orders for most of this steel have already been received by the company. Therefore, the sale of the steel actually produced will be no problem.

Steel Imports Reach $90 Million

In his speech, which was listened to by the directors and officers of the company and of subsidiaries of Krakatau Steel and also attended by senior company officials, Major General (Retired) Supardi, president and director of Krakatau Steel, said that during the first quarter of 1986 the company had exported steel products worth about $15.4 million, including steel reinforcing rods to India and slab steel to Japan, the People's Republic of China, Malaysia, Thailand, Great Britain, and the United States. These steel exports were worth about five times as much as was exported during the same period of 1985, when $2.9 million in steel exports were recorded.

However, according to Ari Wibowo, to meet domestic needs, Krakatau Steel was forced to import 220,000 tons of steel products during the first quarter of 1986, valued at $90 million.

These imports were about 24 percent higher than during the same period in 1985, when they amounted to 195,000 tons, worth $72 million.

The president and director of Krakatau Steel said that most of these imports consisted of cold rolled sheet steel and seamless pipe for industrial and oil refining needs and a small amount of special steel sheets of various kinds.

Domestic Prices

Asked about the high prices of domestic steel, the president and director of Krakatau Steel admitted that domestic prices were a little higher than the imported product.

However, he said that it was not fair to compare domestic and imported steel prices, because, in his view, the export volume of all producing countries was only about 20 percent of total production, while the remaining 80 percent was consumed domestically.

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ADVISER CLAIMS DENG XIAOPING AQUINO'S ROLE MODEL

HK040420 Hong Kong SOUTH CHINA MORNING POST in English 4 Jun 86 p 10

[Report from Manila by Vernon Ram]

[Text] China's paramount leader, Mr Deng Xiaoping, will be the role model for President Corazon Aquino in her strategy to resuscitate the battered economy of the Philippines.

The man who made this pronouncement was Mr Bernardo Villegas--and he should know.

Mr Villegas is the chief economist at the Centre for Research and Communication, a think tank which influences Mrs Aquino's economic planning.

The scholarly technocrat has also been named to the Constitutional Committee (Con-Com) charged with drafting the country's constitution.

Mr Villegas said Mrs Aquino's target is to match China's phenomenal performance of the past six years, which have witnessed a 10 to 12 percent annual growth in gross national product.

This expansion, he said, was fueled mainly by China's small-farm sector.

"The market-oriented reforms in China benefited mainly the millions of small farmers, especially in Guangdong Province, whose income rose faster than those of urban dwellers."

Mrs Aquino will strive to repeat that in the Philippines by guaranteeing the country's millions of small farmers land tenure, access to credit and other vital inputs and, most important, a ready market for their produce, Mr Villegas said.

"The most urgent need is agrarian reform to improve the lot of Filipino farmers in some 80 percent of the country's cultivatable land.

"In coconut growing regions (about three million hectares), which affect the livelihoods of 18 million Filipinos, the farmers are the worst off among the rural poor.

"Seventy percent of the farms have an average size of three to five hectares, are not tenanted and their yield is less than one ton of copra per hectare.

"With very low productivity and extremely depressed prices for coconut in the world market, the typical farmer earns less than US$25 a month, an amount much below the poverty line of US$50 to $75 for a family of six in the rural Philippines.

"Consequently 90 percent of households in predominantly coconut regions fall below the poverty line, compared to 70 percent of all Philippine households."

The Aquino Government has already made the first move by removing monopolistic forces that siphoned off billions of pesos from the coconut farmers, Mr Villegas pointed out.

And the lifting of the ban on copra export has already had a favorable impact on the price received by the coconut farmer.

"More still has to be done to assist the coconut farmer in supplementing his meagre income by intercropping his coconut farms with such lucrative crops as cacao, coffee, fruit trees, pineapple and cattle feed."

After the coconut farmers, the most difficult problem of land distribution is expected to be faced in the sugar-growing regions, especially in central Luzon, western Visayas, and northern and western Mindanao.

"Some large landed estates in the sugar industry will have to be broken up and redistributed to small farmers," Mr Villegas said.

However, some large farms and compact farms that have significantly increased productivity by adopting modern methods would be allowed to continue with large-scale sugar farming.

"Out of some 500,000 hectares of land planted to sugar, some 330,000 can be cut up into smaller lots and redistributed to the sugar workers."

Agrarian reform, it is hoped, will have the added effect of blunting the communist insurgency in rural areas, where disgruntled farmers have proved ready supporters of the New People's Army.

The Aquino Government is also mounting a major drive to boost exports in garments, semiconductors, and fresh and processed foods.

When is all this going to happen?

Mr Villegas tempered optimism with caution by saying the Philippines economy will turn around next year.

"Although the take-off will begin during the last quarter of the current year, the recovery will hardly change the relatively dismal picture for 1986 which will see a zero growth in GNP," he said.

But the no-growth scenario should prove a blessing in disguise, he added.

"It will help the Philippines economic managers to thoroughly consolidate their gains on all the strategic fronts identified by Finance Minister Jaime Ongpin in his address to the Asian Development Bank on April 30.

"A transition year is what is needed to guarantee the required conditions for economic stability--international reserves of at least US$2 billion before the end of 1986, the foreign exchange rate staying at 20.50 to 21 pesos to the dollar, inflation rate at seven to eight percent, and interest rates at 15 to 18 percent.

"Once these targets are attained, our economic managers can be reasonably confident that future growth can be sustained at relatively high levels without triggering another round of hyper-inflation and maxi-devaluation...."

Mr Villegas predicted the Philippines economy will see GNP growing at about six percent next year after three years of zero or negative growth rates.

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CSO: 4200/1119

PHILIPPINES

BUSINESSMEN WAIT FOR GOVERNMENT DEVELOPMENT 'BLUEPRINT'

HK100628 Manila THE NEWS HERALD in English 8 Jun 86 pp 1, 6

[Article by Ely Lopez]

[Text] Deposed dictator Marcos did a very thorough job.

For two decades and with the strong support of his relatives and cronies, he patiently and systematically plundered the economy.

Thus, when President Cory Aquino was catapulated to power last February, she inherited an economy that was in total mess. It remains so after 100 days of her presidency.

No one expected her to do a miracle and turn the economy around in just over three months. No such miraculous formula exists.

Businessmen, however, appear to be completely disappointed. They are staying deep into the sidelines, opting to wait and see rather than lock in fresh funds for expansion for new activity.

After 100 days, there is still no concrete blueprint on what the government intends to do to improve the investment climate.

On the contrary, there have been pronouncements that have disgusted those with capital. The statements, for instance, Augusto 'Bobbit' Sanchez, the labor minister, on such sensitive issues as profit-sharing and board seats for workers have tended to lend credence to fears that the new regime does not know where it is headed for in the area of investments. [sentence as published]

Economic Planning Minister Solita Monsod should also share part of the blame for the scary investment atmosphere. Her open support for such radical policies as repudiation of debts has triggered suspicions that she would be an "unrealistic" economic planner.

A new six-year development plan is expected to be completed by late September or early October. Without such a gameplan, businessmen understandably are hesitant to make any move.

This early, however, businessmen are already beginning to believe that the Monsod plan is going to be very controversial.

Monsod is said to favor the substantive contents of a blueprint prepared by her friends from the University of the Philippines [UP]. Those who have read portions of the document say that it is a reliable formula on how to scare investors some more.

For instance, on banking reforms, the UP group is suggesting that banks should be required to disclose the names of their borrowers and the amount they borrow. Almost everyone knows that banking thrives on secrecy. If this time-honored tradition is scuttled, the direction of the proposed reforms in banking would surely be towards disaster.

The operations of the Presidential Commission on Good Government have also contributed a lot to the uncertainty that prevailed during the period.

The sequestration of private property suspected to be owned by Marcos or his cronies appeared to have rekindled memories of the early days of martial law under Marcos.

But believe it or not, the economy, as gauged through the socalled gross national product or the sum total of goods and services produced in a given period, rose for the first time after over two years during the first quarter.

The figure is something like 0.8 per cent, according to the National Economic and Development Authority although other government figures show that the GNP continued to retreat up to end of March.

The upturn was due largely to heavy spending for the Feb. 7 presidential elections. The figure for the second quarter which ends this month, is forecast to be on the downside.

There were a lot of developments though which seemed to have endeared the new government to the people--particularly the low income. These include the decline in petroleum prices, reduction in fares and power rates and the consequent slowdown in price movements.

The inflation rate was raging at over 60 per cent in late 1984, averaged 25 per cent for the whole of 1985 and from there slowed down to the single digit area up to end of March.

This is probably the single most important development in the economy as far as housewives are concerned, during the first 100 days of the new regime.

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CSO: 4200/1127

MILITARY UNCOVERS LOYALISTS' DESTABILIZATION PLAN

HK060035 Quezon City BUSINESS DAY in English 5 Jun 86 p 24

[Text] A large-scale plan by some 20 Marcos loyalists organizations to cripple business establishments and industrial firms, which are supportive of the government of President Corazon C. Aquino, has been uncovered by the military.

Military sources said the labor sector of the Marcos loyalists intends to sabotage pro-Cory firms through work stoppages and strikes. They claimed that some of the ongoing strikes in Metro Manila and other key cities in the country could have been instigated by Marcos loyalists to destabilize the new government.

Military sources told BUSINESS DAY that 109 military men--both retired and still in the active service--have been tagged as the heads of the ongoing and planned loyalist activities.

Also 39 local politicians and 103 top civilian leaders--13 of whom are known personalities from the entertainment sector--are behind the sabotage scheme, they added. All in all, the sources said, 20 loyalist-based organizations are in varying degrees of involvement in the large-scale operation.

The sources claimed that most of the loyalist military men used to be officers of the defunct President Security Command (PSC) and the National Intelligence and Security Authority (NISA), both of which were under the command of former AFP [Armed Forces of the Philippines] Chief of Staff Gen Fabian Ver.

Among the activities being conducted by these loyalists, the sources said, is the operation of an armed loyalist training camp in Palawan in preparation for a counter-offensive in some key islands of the Visayas and Mindanao.

The sources noted that military reports indicated that the loyalist movement has escalated its activities in different areas of the country because of its expanding mass support and a fresh inflow of funds.

Part of these activities is to consolidate 10 million supporters who will be tapped for participation in mass actions aimed at ousting President Aquino from the government.

What worries the military is the reported increase in the armed capability or striking threat of the loyalists in some parts of the country. An alarming report, the sources said, is that former members of the ranger "Rainbow" division or "Sunday soldiers" under former Gen Benjamin Vallejo, are allegedly being mobilized by loyalist military elements in preparation for an armed confrontation with the New Armed Forces of the Philippines (NAFP).

The sources also revealed that a colonel, who is still in active service, was recently overheard as saying that he has at his disposal a fully-armed private army that could take over Malacanang Palace at the proper time.

There is also a report that a former PC [Philippine Constabulary] officer, allegedly the head of a group of 18 armed men believed to be loyalists and former bodyguards of past political personalities, are holed up in Paranaque with a cache of highpowered firearms.

The sources said the military is currently monitoring closely the activities of former and still active elements of the Armed Forces who are now working with the loyalists.

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CSO: 4200/1119

LABOR OFFICIAL, SISON VIEWS ON MARCOS LOYALISTS CONTRASTED

HK040917 Quezon City ANG PAHAYAGANG MALAYA in English 25 May 86 p 4

[Editorial: "Two Views on Loyalists"]

[Text] There are contrasting views currently being ventilated about the threat posed by the so-called Marcos loyalists. The deputy labor minister, Pablito Sanidad, believes a Marcos comeback is a real threat that the Aquino government must contain. On the other hand, Jose Ma. Sison called it a "definable threat," citing the paucity in numbers of Ilocanos, led by the known warlords, who would be prepared to die for Marcos.

One thing stands out clearly, however, from the views expressed by the two gentlemen. And this is the fact that the Marcos loyalists seeking the return of Marcos constitute a threat.

Mr Sanidad is of the belief, expressed during a forum on warlordism and the threat of a Marcos return, that the greedy strongman "could easily land in the Ilocos region as the warlords and their arsenal of firearms remain intact." Smarting against their loss of control of the traditional tobacco industry, the local political kingpins are now fanning hatred against the government which, according to them, has neglected the region. And in view of the fact that most of those warlords have not yet been replaced, Mr Sanidad expressed fears of the possible harm they can do since "99 percent of the political apparatus in the Ilocos region during Marcos still exist [as published]."

The other side of the coin is not as grim a scenario as has been depicted. A realist to the core, Mr Sison sees the infinite number of the "better Ilocanos" who, if they unite against the loyalists, can thwart any chance for using the "Solid North" for a Marcos comeback. The region is composed of four provinces, namely Abra, La Union, Ilocos Norte and Ilocos Sur. They are the fiefdoms of politicians who might have been reincarnated from some 16th century ancestor, who had no concept of service, only of privilege and its abuse. Cut from the umbilical cord of their master who indulged their mercenary depredations, they will now raise all sorts of noises for the loss of their lien.

The threat posed by these pests is both apparent and real. But having no genuine and legitimate ground to sustain its originators' delusions, it is a high probability that it will fall by the wayside sooner than people expect.

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CSO: 4200/1119

PAPER SKEPTICAL OF SOME CON-COM APPOINTEES

HK050135 Quezon City BUSINESS DAY in English 4 Jun 86 p 5

[Article by Teodoro Y. Montelibano]

[Text] The Constitutional Commission (Con-Com) convened Monday with dark clouds of skepticism cast on the process by which the 48 presidential appointees were selected to prepare a draft constitution which will be submitted for the people's ratification or rejection in a plebiscite in three months time.

For instance, Proclamation No. 9, which created the Con-Com provides, among other things, that the nominations to be submitted should include verified curriculum vitae of the nominee and certification by the nominee that he is willing to accept the appointment.

However, the fact that there were a number of nominees who declined seems to point to the fact that their nominations were not accompanied by the required certification.

On the other hand, BUSINESS DAY learned that there were nominees who failed to submit verified curriculum vitae but were appointed to the Con-Com anyway.

Among these were Manila prelate, Monsignor Teodoro Bacani and National Movement for Free Elections (Namfrel) national officer Teresa Nieva who was in the United States at the time that her nomination was submitted to the selection committee.

Sources say Nieva, while pleased, nevertheless expressed surprise when told she had been appointed to the Con-Com. "Apparently, she (Nieva) did not even know she had been nominated to the Commission," said one of Mrs Nieva's friends.

In another instance, Efrain Trenas and Yusoph Abubakar, who were both included in the list of appointees whose profiles appeared in newspapers before the Con-Com convened, had the notation, "no data available" written after their names.

If it were presumed that the source of the newspapers who printed the Con-Com delegates' profiles was the selection committee based in Malacanang to make certain that such information would be accurate and reliable, what were the bases for selecting Trenas and Abubakar and who set aside the provisions for Proclamation No. 9 in that instance, one source asked.

Many more questions are being raised concerning the selection procedures.

For example, another source wanted to know why, if the political opposition were to be allotted five seats in the Commission, were they not told during the period of submission and selection to nominate from their ranks so that they could have had ample time to search from among them those with "proven independence, probity, nationalism and patriotism?"

Still on the opposition, the same source was curious about the seemingly "special treatment" given to the political opposition, even after the deadline for submitting nominees to the Commission has passed.

He said: "Again, a provision of Proclamation No. 9 was set aside, since it implies that the five names submitted by the opposition would be automatically accepted."

That source also pointed out that the government could have made better choices than the members of the opposition. "Surely," he pointed out, "there are more than a thousand good and competent men who are better qualified than the political opposition members appointed who were all known to have staunchly hewed close to the Marcos line in the past regime and who were members of the Batasan ruling party condemned by President Aquino herself on the strongest terms when she issued her Freedom Constitution."

The same source also wondered if the President's apparent concession to the political opposition was influenced by pressure from the United States Government as gleaned from a story published by the WASHINGTON POST a day before she (Mrs Aquino) announced her choices for the Con-Com.

One other concerned citizen, Carlota Sison, wrote BUSINESS DAY to ask if the computer was used by the selection committee to identify a specific group or to match various factors to get a range that is truly representative of the various sectors and regions as previously announced.

"Looking at the list of appointees, it appears now that the computer was used to select a particular set of delegates and not as representatives of all sectors and regions as was hoped by millions of ordinary citizens like me," Sison said.

Sison ended her letter by wondering "how many more rules and laws will be broken in the 90 days of the Con-Com's life?"

Meanwhile, the Con-Com is being pressed for a definitive ruling on an earlier question raised by ex-senator Lorenzo Tanada and 500 other petitioners who doubt the qualifications of former Marcos Cabinet minister Blas Ople in being chosen to the to the Con-Com in the light of the Audit Commission's report that the former Bulacan assemblyman had misused public funds when he was minister of labor and employment in the past regime.

A petition seeking the ouster of Ople and other political opposition members who were members of the ruling party in the defunct Batasang Pambansa, namely, Teodulo Natividad (former National Police Commission head from Bulacan), Regalado Maambong (Cebu) and Restituto de los Reyes (Laguna) from the Con-Com was filed during the opening session of the Commission last Monday.

According to the Nationalist Alliance for Justice, Freedom and Democracy (NAJFD, of which Tanada is a national official), the "Con-Com's response to the issue will reflect their interpretation of the standards set for probity, independence, nationalism and patriotism."

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CSO: 4200/1119

PAPER LISTS MNLF LEADERS BELIEVED IN SABAH CAMP

HK031358 Manila MANILA BULLETIN in English 31 May 86 pp 1, 14

[Article by Roy Sinfuego]

[Text] The Moro National Liberation Front (MNLF) was reported to have set up a large guerrilla base on an island off Sandakan, Sabah, in preparation for a big offensive against government forces in Mindanao in August.

A BULLETIN source said several top-ranking MNLF field commanders who underwent rigid guerrilla training in Libya, were seen on the island proudly displaying their pictures with Libyan strongman Col Mu'ammar al Qadhdhafi.

The MNLF camp, the source said, is heavily secured.

The island base is said to be a few kilometers away from Sandakan. Wooden camp houses have been built by the rebels. Armaments and supplies have been stored in the houses.

A large space of the camp is being used as an area for training MNLF combatants, the same source said.

The BULLETIN source said the Duchess of Kent Government Hospital in Sandakan is where fighters wounded in armed clashes with government forces in Jolo, Sulu, Tawi Tawi, and other areas in Mindanao are treated and confined.

MNLF rebel forces in Jolo, Basilan, and Tawi Tawi recently conducted attacks against government forces in Region 9. Military authorities in the area believe the rebel forces belong to a hardcore group under Nur Misuari who is for complete independence of Mindanao.

The top ranking MNLF commanders in the training camp, sources said, include Usman Sali, former vice mayor of Patikul, Sulu, who led the MNLF rebels responsible for the killing of Brig Gen Teodulo Bautista, commander of the First Infantry (Tabak) Division, several of his staff officers, and 30 other soldiers in 1977; Datu Noor Mohamad, who trained in Libya for one year and who has 1,000 men under his command; Datu Sakiruddin Bahjin, MNLF secretary-general; Yussof Abu Bakar, commander of the MNLF First Mobile Army of Palawan, Sulu, and Tawi Tawi; and Hadji Abdul Rahman, alias Capt Sema, former police captain of Cotabato City.

The claim of Dimas Pundatu and Macapanton Y. Abbas Jr that they were representing the Bangsa Moro people has triggered serious factional rivalry and tension among the Muslims in Mindanao and Sandakan, the source disclosed.

A senior MNLF official said a bloodbath involving groups of MNLF rebels was narrowly averted in Sandakan recently. The groups were those of the factions of Abbas-Pundatu, Misuari, and Hashim Salamat.

Abbas and his group, who are for autonomy, arrived last April and conducted dialogues with other MNLF rebel leaders in Mindanao in an effort to unite the MNLF rebels.

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CSO: 4200/1119

EDITORIAL VIEWS CEASE-FIRE PROSPECTS

HK091551 Manila MANILA BULLETIN in English 8 Jun 86 p 6

[Editorial]

[Text] The principal merit of a ceasefire of, say, six months is that it will show the parties the difference between peace and conflict.

On the part of the rebels, there will be a marked difference between the life of the hunted and that of a man who can move around freely. To be able to move around in freedom may demonstrate the futility of being in continual conflict with the government.

On the part of the government, a ceasefire will enable it to focus attention on the economic problem and to save the money that would otherwise have gone to the insurgency problem.

If one were to make a study of the possible outcomes of a ceasefire, maybe he would arrive at the conclusion that it would be beneficial to everybody.

One of the stumbling blocks to a ceasefire is the possible lack of good faith among the parties or their representatives. If the ceasefire were viewed merely as a means to promote the cause of the conflict, there would be no agreement even if it is clear that the parties have suffered much during the years of strife.

Another possible difficulty is the authority of the Communist Party of the Philippines to represent all the insurgents. Does that party control the insurgents in all the regions or just a fraction of them?

In considering the success of the negotiations for a ceasefire, it should be kept in mind that there is a difference between such negotiations and those for a final modus vivendi. A ceasefire is self-explanatory. It means a temporary stop to the fighting. Negotiations do not necessarily include the final settlement of the dispute.

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CSO: 4200/1127

DOLLAR RING SUSPECTS STILL IN 'SENSITIVE' AFP POSTS

HK041455 Quezon City BUSINESS DAY in English 4 Jun 86 p 21

[Text] At least 150 highranking military officers and personnel involved in the dollar blackmarketing and salting operations of the so-called Binondo Central Bank, continue to hold sensitive posts within the New Armed Forces of the Philippines [NAFP], informed military sources claimed.

Sources said the NAFP anti-graft and corrupt practices board tasked with looking into the hidden wealth of military officers and men identified these officers and men, but would not want their identities revealed at this stage of the investigation.

The probe body earlier charged that former AFP chief of staff, Gen Fabian Ver and former legal officer of the defunct Presidential Security Command (PSC), Col Balbino Diego, were leaders of the alleged dollarsmuggling syndicate.

A number of officers who, at one time or another, were involved in the operation are still "on the loose," they said. Most of these officers are now being investigated by the military anti-graft body on the basis of a payroll roster identifying the people involved in the dollar ring and the amounts they earned for their services.

The military probe body claimed that the Ver-Diego syndicate started with Operation Sunflower, which was later expanded into Task Force Luntian, and renamed Task Force Pagasa. This task force is believed to be responsible for the control of all illicit foreign exchange deals in Binondo, which was later expanded into a nationwide operation. Probers claimed the Ver-Diego syndicate leaders netted an average of $7 million daily.

The take for military officials involved in the operation was understandably larger. Highlevel officers (e.g. generals, colonels, majors) received P112,500 each a month; PSC personnel, P81,000 each a month; CIS personnel, P74,500 each a month; and "Paraiso" personnel, P27,900 each a month, the sources claimed.

Despite the security precautions undertaken by the syndicate, however, several hold-ups marred their operations particularly during the transport staging of the merchandise. The first one allegedly involved a close relative of Fe

Gimenez, the social secretary of former First Lady Imelda Marcos. The hold-up victim later claimed that he was divested of $360,000 owned by the Ver-Diego group sometime in June 1983.

The probers claimed that the second hold-up victim was another alleged courier--former MP Arturo Pacificador lost $510,000 which was allegedly entrusted to him by the syndicate, while he was on his way to the Manila International Airport.

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CSO: 4200/1119

FOREIGN EXCHANGE RESERVES RISE TO $1.69 BILLION

HK051451 Manila MANILA BULLETIN in English 5 Jun 86 p 15

[Text] The country's foreign exchange reserves have increased by 85 percent from $911 million at the end of February this year to $1.69 billion as of late last month, Finance Minister Jaime V. Ongpin said in a report to President Aquino on the finance ministry's accomplishments during the first 100 days.

He also said that the peso-dollar exchange rate has strengthened and stabilized at P20.50 to $1 from P22 to a dollar before the February peaceful revolution.

The parallel or black market rate, he also said, has strengthened sharply from over P25 to a dollar before the revolution to the current rate of P21 to $1.

Ongpin said the sharp increase in the country's foreign exchange reserves and the strengthening and stabilization of the exchange rate are the most accurate barometers of domestic and international confidence in the new government.

The inflation rate which averaged 50 percent in 1984 and 23 percent in 1985 has gone down substantially to 3.3 percent for the first four months of the year. The annualized inflation rate last April went down further to 2.1 percent.

While the improvements in the inflation rates were attained despite the excessive election spending and high interest rates early this year, they also contributed to the depressed level of demand in the economy and the impact on fuel price reductions and the lower palay prices during the first quarter of the year.

Ongpin also reported that the government obtained a total of $525 million in fresh loans from different foreign sources during the last 100 days.

Among these loans, he said, are a $100 million emergency loan from the Asian Development Bank that will provide counterpart peso funds to the government for [word indistinct] completion of various infrastructure and other development projects.

The government, he also said, got World Bank approval for the accelerated disbursement of the $79 million second tranche of the bank's agricultural inputs loan and the $105 million unutilized portion from the commodity loan component of the 12th yen credit from Japan.

The country was also able to get additional loans of $69 million from the World Bank for the rehabilitation and expansion of the water distribution network of the Metropolitan Waterworks and Sewerage Systems.

An $82 million loan, also from the World Bank, was obtained for the second rural road project to construct and upgrade roads throughout the countryside.

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CSO: 4200/1119

ECONOMIST PREDICTS 6-8 PERCENT GROWTH RATE

HK100824 Hong Kong AFP in English 0755 GMT 10 Jun 86

[Text] Manila, Jun 10 (AFP)--The Philippine economy will expand by six to eight per cent for at least three years after posting zero growth in 1986, a prominent Filipino economist said here Tuesday.

Bernardo Villegas, one of 48 members of a commission drafting a new constitution, based his bullishness on the economy, which declined sharply in the past two years, on President Corazon Aquino's leadership and free-market policies.

"We can grow at least at six per cent per annum in our gross national product" from 1987-89, he told the foreign correspondents association here.

"I'm being conservative, it could be eight per cent," said Mr. Villegas, senior vice president and chief economist of Manila's premiere economic think tank, the Center of Research and Communication.

But he dismissed official forecasts of up to two per cent growth this year, saying the economy had contracted by two to three per cent since the beginning of the financial year January 1.

He likened Mrs. Aquino to Deng Xiaoping after he took over China, whose economy grew sharply after the government concentrated on food production for the local market.

Mrs. Aquino's economic plan emphasizes agriculture as the key to ending economic declines generally estimated at five per cent each in 1984 and 1985.

Mr. Villegas said the groundwork had been laid with Mrs. Aquino's removal of trade monopolies in the vital coconut, sugar and grains sectors set up during the 20-year rule of President Ferdinand Marcos, who was deposed in February.

He opposed what he said was the International Monetary Fund's (IMF) prodding that the Philippines imitate export-oriented programs of Taiwan and South Korea, and backed Manila's determination to first develop the domestic market.

He said the IMF and other foreign creditors were likely to approve a request for stretching the repayment period of part of the 27 billion dollar foreign debt, and converting some commercial loans into equity in local firms.

Mr. Villegas predicted that the Philippine peso, which has held firm at 20.5 to the U.S. dollar the past three months, would depreciate only by eight per cent annually in the next three years, while interest rates would stay at 14 to 16 per cent compared to 30-35 per cent in the previous 18 months.

Mr. Villegas said the threats to political stability were communist guerrillas, Moslem separatists, Marcos "loyalists," and communist infiltration of labor unions, but said all but the last would surely diminish shortly.

He said Mrs. Aquino, a political neophyte, had a "very sharp political instinct" and that apparently discordant voices in her cabinet were a sign of strength since "she doesn't want yes men and yes women."

He said he had talked with top military officials and was convinced that the military, whose mutiny toppled Mr. Marcos, would stay out of politics.

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CSO: 4200/1127

FEB-MAR 86 FOREIGN INVESTMENTS DROP 44 PERCENT

HK041517 Quezon City BUSINESS DAY in English 4 Jun 86 p 2

[Article from the "Economic Indicator" column: "Foreign Investments Drop 44 Percent"]

[Text] Foreign investments in new and existing corporations dropped 44.12 percent in the first quarter compared to the year-ago level.

Data from the Securities and Exchange Commission (SEC) showed that foreign equity in domestic companies for the first three months of 1986 amounted to P93.6 million. This was P73.9 million less than last year's first quarter total of P167.5 million.

The slump was due to the slowdown in the inflow of foreign capital in February and March. During those months, major changes in the government were taking place and a general mood of uncertainty prevailed regarding political and economic policies.

The amount of foreign investments in February, for example, plunged from a high of P70.4 million in January to P2.4 million, the lowest registered since 1980. By March, when a semblance of stability was achieved, foreign investments in local companies grew to P20.7 million. This, however, was still some five times less than the foreign investments in March last year.

The number of new companies with foreign equity also decreased in the first quarter. From 156 in the first quarter of 1985, it dropped to 107 this year.

The number of existing companies which received additional equity, on the other hand, showed a slight increase from 20 in 1985 to 22 this year.

While more existing companies received additional equity this year, the amount of new capital they received was only half of what existing companies received in the first quarter last year.

FOREIGN INVESTMENTS IN NEW AND EXISTING CORPORATIONS
(Amount in P000)
January to March 1986 and 1985

1986

	Total Foreign Equity in Domestic Corporations	No. of New Cos.	Initial Paid-up	No. of Existing Cos.	Increases in Paid-up	Total Foreign Equity in Domestic Corporations
January	70,481	45	6,333	9	64,148	6,382
February	2,445	30	907	4	1,538	60,496
March	20,711	32	4,392	9	16,319	100,689
TOTAL	93,637	107	11,632	22	82,005	167,567

1985

	No. of new Companies	Initial Paid-up (P1000)	No. of Existing Cos.	Increases in Paid-up
January	44	4,649	5	1,733
February	55	7,164	9	53,332
March	57	4,967	6	95,722
TOTAL	156	16,780	20	150,787

Source: Securities and Exchange Commission

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CSO: 4200/1119

MINISTERS DISCUSS BINONDO BANK STATUS

HK091553 Manila MANILA BULLETIN in English 8 Jun 86 p 25

[Text] The once controversial "Binondo Central Bank," the scheme used by the deposed Marcos government in containing abnormal peso-dollar speculations and black marketing shortly before the latter's downfall, is unwanted in the Aquino government.

Finance Minister Jaime V. Ongpin said that the Binondo CB [Central Bank] has not been turned over to the Finance Ministry and he does not want to have anything to do with it in case it is revived.

Trade and Industry Minister Jose Concepcion earlier said that the Binondo CB has been turned over to the Finance Ministry.

But Ongpin said that no such turn over has taken place.

The finance chief said that the Binondo CB has already been dismantled.

If it is revived, it won't be [by] me," Ongpin said when asked about his position in case of a possible revival of the scheme.

He pointed out that there is no justification right now for maintaining the Binondo CB because the peso's value against that of the U.S. dollar is very stable and there is hardly any speculation in the blackmarket.

The Binondo CB was set up early in 1984 by the finance chief's elder brother, former trade and industry minister Roberto V. Ongpin who is now doing consultancy services for foreign investors who want to invest in the country.

It was set up primarily to arrest the deterioration of the peso's value against that of the dollar which was triggered by the abnormal political and economic conditions during the last two years of the Marcos regime.

The deposed Marcos government, with the help of the military, dictated the peso-dollar movements in the black market by directly dealing with big-time dollar speculators in the black market.

Without the efforts of the Binondo CB, the peso's value against that of the dollar could have deteriorated to as much as $30 to P1 or even more because many people wanted to exchange their pesos for dollars, the elder Ongpin recently said as he defended the Binondo CB.

The status of the Binondo CB after the Marcos government was toppled by a peaceful revolution last February had been uncertain.

Earlier reports said the machinery of the Binondo CB which once operated nation-wide was still intact pending decision by the new government on what to do with it.

The younger Ongpin said the Presidential Task Force on Dollar Salting may be integrated with the Central Bank Intelligence Unit.

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CSO: 4200/1127

MONETARY BOARD DEREGULATES 437 IMPORTED ITEMS

HK100554 Manila THE NEWS HERALD in English 8 Jun 86 p 8

[Text] The Monetary Board allowed Friday the importation of 437 products without prior approval by Central Bank [CB] and the Board of Investments [BOI].

A CB press statement issued yesterday said the deregulation was part of the government's import liberalization program designed to spur local industries to be more competitive.

Most, if not all of the 437 products now allowed to enter the country without prior BOI approval are already produced in the Philippines.

With the relaxation of the import rules on these items, foreign products will now be able to compete effectively with domestic products in terms of prices and quality.

Many businessmen fear that on the contrary, they may be driven out of business once the import liberalization program comes into full force.

Included in the list of 437 items are products such as chickens, pigs, rice, vegetables, fruits, woodcrafts, towels and other textiles, building materials and glass articles.

Household utensils, lamps, hats, paper and guitars are also in the list.

Fruits not grown in the Philippines, such as oranges, lemons, grapefruit, apricots, prunes and cherries are also included in the liberalized list.

To implement the board's decision, the CB issued Circular No 1105, dated June 6, which amended pertinent divisions of sections 5 and 8 of Circular No 1029 (dated Oct 12, 1984), requiring authorization by certain government agencies prior to importation of regular commodities.

The CG indicated that with this deregulation, commercial banks may henceforth open import letters of credit without prior clearances previously required for the 437 items.

The list of 437 items was drawn up in consultation with various industry sectoral task forces and the Philippine Chamber of Commerce and Industry, taking into account the requirements of existing domestic substitutes, and the need to perk up activity in certain industrial sectors such as the agro-industries, the packaging industry, the handicraft industries and the construction industry, the CB said.

It said that all authorized agents banks are required to submit directly to the current imports and commodity classification office (CICCO) of the CB a weekly report of letters of credit opened/documents against acceptance-open account availments [as published] covering importations under annex A, which lists items previously requiring the prior approval of the Board of Investments for their importation.

The report is to be submitted every Tuesday following the transaction week.

Meanwhile, the requirement of the World Bank and International Monetary Fund for a full implementation of the import liberalization program was strongly opposed by Trade and Industry Minister Jose Concepcion.

He branded the idea as "unfair," for some industrialized countries like the United States, Japan and European countries impose restrictions and huge amounts of subsidies on their exports.

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CSO: 4200/1127

ECONOMIC RECOVERY PROGRAM RECEIVES 'MIXED REVIEWS'

HK050900 Hong Kong AFP in English 0850 GMT 5 Jun 86

[Article by Roberto Coloma]

[Text] Manila, June 5 (AFP)--Businessmen, economists and politicians gave mixed reviews Thursday to President Corazon Aquino's agriculture-oriented economic recovery program.

The program, formally approved by the cabinet Wednesday, is designed to restore economic growth after 2 years of steep decline under deposed strongman Ferdinand Marcos, who left behind a foreign debt now set at $27 billion.

The Aquino government hopes to achieve 1.5 percent growth this year, compared to declines of at least 5 percent in 1984 and 1985.

"The program is sound...but the economy is not yet moving," said economist Jay David, a member of the forecasting unit of the Center for Research and Communication (CRC), Manila's premiere economic think-tank.

Businessmen say the main ingredient of the Aquino program is hope. "The big difference is that during the Marcos period, there was absolutely no hope," said Felix Maramba, past president of the Philippine Chamber and Commerce Inc (PCCI).

Now, "everybody is hopeful that in the long or even in the medium term, the economic recovery of the country will take place," he added.

Mr Maramba conceded that foreign and local businessmen still seem to have a "wait-and-see attitude." But he said this was due to a lack of demand, which he said was being addressed with new jobs and opportunities in the rural sector, where 70 percent of the Philippine population live.

However, opposition leader and veteran politician Blas Ople said in an interview that industry might suffer from an over-emphasis on agriculture.

"(The program) follows the main thrust of the previous administration...it seems to me that this is not the ideal path," he said.

There was a "tendency to disparage the potentials" of manufacturing industries, he said, adding, "we are in danger of reverting to an agrarian policy whose multiplier effect on economic development is limited."

Local and foreign business chambers have yet to issue formal statements on the new program.

Meanwhile, there is a consensus that continued labor unrest and efforts to recover the allegedly ill-gotten wealth of the Marcos family and its associates would harm whatever merits the new program might have.

Miss David said the Aquino government should take a firmer stand on labor militance, which she said was scaring away much needed investments.

Mr Maramba said it was safe to assume that 80 percent of the firms still stable today were in one way or another "either favored by Marcos or his cronies" and that the threat of sequestration was a "sword of Damocles" which prevented them from expanding their business.

The PCCI has aired reservations on some aspects of the program, which was released for public scrutiny last month.

The program's sponsor, Minister of Economic Planning Solita Monsod, said the plan--put together from reports of study groups that included officials, businessmen and economists--was intact when it was passed by the cabinet.

While the CRC hailed trade liberalization because it would lessen production costs, spokeswoman Carmencita Arce said PCCI has expressed concern that its full and immediate implementation would crush local industries rendered frail by the economic crisis since 1983.

PCCI industries should at least be allowed to attain their 1983 levels, given findings that most plants now operate at only 30 to 50 percent of their capacities 3 years ago, and that tariffs for raw material imports be lower than those for finished products.

Opposition leader Mr Ople said the civil service which will implement the program was "demoralized" by the "abolition of security of tenure," and Mrs Aquino should take steps soon to correct this.

"No matter how alluring some of these visions they offer on paper might be, if the bureaucracy is incapable of implementing them they remain just that."

The CRC takes a more reserved position in terms of results, saying all the economy can expect this year was a minus 0.1 to a positive 0.5 growth.

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CSO: 4200/1119

AGRICULTURAL OUTPUT VALUE RISES 2.3 PERCENT

HK051547 Quezon City BUSINESS DAY in English 5 Jun 86 p 11

[Article from the "Economic Indicator" column: "Agricultural GVA Rises"]

[Text] The gross value added (GVA) of the agricultural sector, at constant 1972 prices, reached P26,010 million, National Economic and Development Authority (NEDA) estimates as of April 1986 showed. This reflected a 2.37 percent rise from the previous year's figure of P25,409 million.

The higher output of the agricultural sector resulted from production increases posted by the agricultural crops and fishery subsectors, which accounted for $20,614 million or 79.25 percent of the total GVA for the sector. These made up for the reduction in long production (7.71 percent), livestock (2.22 percent) and poultry (0.50 percent).

Last year, production of agricultural crops amounted to P16,192 million, 4.04 percent more than 1984's P15,564 million. The fishery subsector, on the other hand, increased its output by 2.15 percent to P4,422 million from P4,329 million in 1984.

Gross value added measures the contribution of a particular sector to the country's gross national product (GNP). It is computed by subtracting the cost of production inputs from the gross output of a particular industry. The GVA at constant prices is measured in real terms and computed based on the prices of the base year.

GROSS VALUE ADDING IN AGRICULTURE#
1981 - 1985
(in million pesos at constant 1972 prices)

Year	Subsector Gross Value Added					
	Agriculture Sector	Agricultural Crops	Livestock	Poultry	Fishery	Forestry
1981	24,608	15,418	1,925	1,958	4,132	1,179
1982	25,368	15,932	2,007	2,192	4,254	983
1983	24,845	15,968	2,170	2,481	4,407	819
1984	25,409	15,564	2,162	2,589	4,329	765
1985	26,010	16,192	2,114	2,576	4,422	706

#estimates as of April 1986

Source: National Economic and Development Authority (NEDA)

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CSO: 4200/1119

BRIEFS

MILITARY PERSONNEL ACCOMPANYING MARCOS--Manila, [words indistinct] (PNA)--Thirty-eight of the 42 military personnel who fled with deposed President Marcos to Hawaii last February have been dropped from the rolls effective May 26, according to Armed Forces Chief Gen Fidel V. Ramos. Ramos said only four officers have returned to the country and are now back to their respective units. The officers and enlisted personnel who opted not to return to the Philippines were considered retired or separated from the service effective May 26, he said. Exactly 298 officers and enlisted personnel who were members of the defunct Presidential Security Command (PSC) and National Intelligence and Security Authority (NISA) remained unaccounted for. Among them are three sons of former Armed Forces Chief of Staff Gen Fabian C. Ver, namely, Irwin, Wurlo and Rexor. Irwin was number one in his class when he graduated from the Philippine Military Academy (PMA) in 1970. He has not returned to the Philippines since he fled last February with Marcos and his father aboard a U.S. Air Force helicopter. Ramos said of the 18 officers assigned with the PSC and NISA but were detailed to foreign assignments as military attache, only 1 has returned and reported back from duty. He is Maj Rodolfo Tor, former trade attache in Saudi Arabia. [Text] [Manila PNA in English 0341 GMT 3 Jun 86 BK] /12766

AQUINO TO KEEP POWERS IF BASIC LAW REJECTED--Manila, June 1 (AFP)--President Corazon Aquino will keep her law-making powers if Filipinos reject a new constitution about to be drafted, the PHILIPPINE NEWS AGENCY (PNA) Sunday quoted the justice minister as saying. Justice Minister Neptali Gonzales also told a forum of educators in the northern city of Baguio Friday that Mrs Aquino would appoint another commission if the current 50-member panel's work were rejected by a plebiscite, the official PNA said. The commission is to convene on Monday and is expected to finish its work in 3 months, ending a transition period in which Mrs Aquino enjoys sole law-making powers under a transitional "freedom constitution." The government would continue to operate under that charter if the constitution drafted by the commission were rejected by the people, Mr Gonzales reportedly said. Mr Gonzales defended the selection of the constitution commission members by Mrs Aquino, saying there was nothing in constitutional and democratic practice that required a constitution to be drafted by an elected body as some opposition figures contended. A simple majority of registered voters will be needed to ratify the constitution in a plebiscite. [Text] [Hong Kong AFP in English 1234 GMT 1 Jun 86 BK]/12766

GUNMEN KILL RELIGIOUS CULT LEADER--Manila, June 3 (AFP)--Gunmen have killed the leader of an amulet-wearing Christian cult whose members claim to be impervious to bullets, the official PHILIPPINE NEWS AGENCY (PNA) reported here Tuesday. Cult leader Felicisimo Lingaw-Lingaw was killed Monday along with two members in an attack by nine unidentified men, who were in their 20's and armed with .45 caliber pistols, in the central town of Talisay, PNA said. A daughter of the 60-year-old Mr Lingaw-Lingaw said the two cult members died instantly but her father was still alive despite his bullet wounds until the gunmen took off his amulet and fired more shots into him, the agency added. Their cult Sagrado Corazon Senor--whose name is derived from the sacred heart concept in the country's dominant religion, Roman Catholicism--includes the belief that certain rituals can render a member safe from bullets, PNA said. [Text] [Hong Kong AFP in English 0726 GMT 3 Jun 86 HK]/12766

REBEL ATTACKS KILL 17--Manila, June 4 (AFP)--Seventeen people were killed and an unknown number of civilians wounded as suspected Moslem guerrillas launched simultaneous attacks in a southern town, the PHILIPPINE NEWS AGENCY (PNA) reported Wednesday. A suspected splinter group of the separatist Moro National Liberation Front Tuesday staged simultaneous attacks on two government militia detachments near Alabel and Malapatan towns, 1,025 kilometers (615 miles) south of here, PNA said. Seven militiamen were killed and three others wounded as the rebels overran a militia detachment near Alabel, then fired on a nearby village, wounding an unknown number of residents, the state-run agency said. Another suspected Moslem band attacked another militia outpost hear Malapatan but were repulsed by militiamen, killing 10 insurgents, it added. The attacks caused the evacuation of residents of the two communities who were now temporarily relocated to the town centers, PNA said. Military spokesmen here could not be reached for comment. [Text] [Hong Kong AFP in English 1506 GMT 4 Jun 86 HK]/12766

ACCOUNTS UNDER MARCOS ALIAS--The Swiss Government has frozen $1.5 billion bank accounts under the names of William Sander and Jane Ilagan. Jose Lauchengco, Philippine Envoy in Los Angeles, claimed the names were aliases of former President Marcos and former First Lady Imelda Marcos. According to Lauchengco, the bank accounts will be frozen until investigations are concluded. [passage indistinct] [Text] [Quezon City Radyo ng Bayan in Tagalog 0400 GMT 11 Jun 86 HK]/12766

CSO: 4211/59

DEMOCRAT CAMPAIGN RALLY SEEKS SUPPORT FOR PREM

BK260601 Bangkok BANGKOK POST in English 26 May 86 p 3

[Text] Krabi--The Democrat Party kicked off its first campaign rally here on Saturday with the slogan "Support Prime Minister Prem, Vote for the Democrats."

Addressing about 3,000 people in a boxing stadium, Surat Thai MP Suthep Thuaksuban, a member of the party's executive board, said Gen Prem Tinsulanon was the only minister who "has the guts to poke his nose into the affairs of commercial banks" by introducing the banking decrees.

Because commercial banks have made themselves available for the benefit of a small group of people, Mr Suthep said it was necessary for the Government to institute the decrees to monitor their activities "otherwise our economy will collapse."

Mr Suthep cited the Asia Trust Bank, which had serious problems when huge loans were extended to relatives of some board directors, prompting the Government to intervene and put its men in charge.

The Democrat MP said that when the decrees were enacted, certain bankers in collaboration with some military officers moved to topple the Government by dumping a lot of money to influence voting in Parliament.

Drawing sporadic applause from the audience, Mr Suthep said the opposition would never have been able to overthrow the Government in Parliament without the support of defectors.

He alleged that vote-buyers paid 50,000 baht for government, MPS who did not attend the parliamentary meeting on May 1 when the crucial vote was taken and 100,000 baht for the MPS who attended but abstained.

Mr Suthep lashed out at the government MPS who allowed themselves to be bought and sniped at a Democrat MP who defected to the opposition.

The defection by government MPS as a result of vote-buying prompted the Prime Minister to dissolve Parliament instead of resigning, "which would have been a big mistake," said Suthep.

The Surat Thani MP asked the people in this province to vote for the Democrat Party if they still support Gen Prem.

Another key party member, Thawin Phraison, said the Democrats would support Gen Prem for prime minister "if the party does not have a majority in the House of Representatives."

Deputy leader Gen Han Linanon criticised a certain high-ranking army officer for creating confusion in the country by claiming he had done so for the sake of the military.

Without mentioning any names, he criticised the establishment of an election centre to monitor the polls.

General Han also urged General Prem to run in the upcoming election.

The province had two MPS: Akhom Kengchuan, a Democrat, and Watsana Bunphupantanti of the Social Action Party, who recently defected to the United Democratic Party.

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CSO: 4200/1103

REPORTAGE ON GENERAL ATHIT PREELECTION MOVES

Not To Run in Election

BK271136 Hong Kong AFP in English 1122 GMT 27 May 86

[Article by Michael Adler]

[Text] Bangkok, May 27 (AFP)--Prime Minister Prem Tinsulanon sacked General Athit Kamlang-ek from his powerful post as Army commander-in-chief Tuesday, while a government spokesman stressed the need to keep the Army out of politics with elections 2 months off.

Gen Athit and Mr Prem, who has military backing of his own as defense minister and a former Army commander-in-chief, are viewed as the main rivals for the premiership in the government to be formed after the vote.

Army Chief of Staff General Chawalit Yongchaiyut, considered a firm backer of the prime minister, was appointed to succeed Gen Athit, who retained the largely symbolic post of Armed Forces supreme commander, which does not involve direct control over troops.

No official reason was given for the move, but government spokesman Trairong Suwannakiri said: "This will enable the elections to take place normally because Chawalit is going to keep the Army out of politics." Voting is scheduled for July 27.

Gen Chawalit told reporters Tuesday: "I don't want any outside power to exert an unjustified influence on the elections. ...I do not want the Army to meddle with politics."

Both Gen Chawalit and Gen Athit denied rumors of military unrest in the wake of the shift, and an Army spokesman told AGENCE FRANCE-PRESSE that rumored tank movements in Bangkok were a convoy of armored cars on twice-a-month troop rotations for the Bangkok peacekeeping force.

Gen Athit, who flew back to the capital from southern Thailand Tuesday, said his replacement as commander-in-chief "did not concern the forthcoming elections."

He said he would not run in the poll since "I am still the supreme military commander and my duty is to preserve the security of the country."

The new commander met Gen Athit when he arrived at Bangkok's Don Muang Tuesday, greeting him with the joined hands gesture of respect known as the wai. Gen Athit responded with an embrace and said: "We work together."

Gen Athit had been scheduled to give up both posts on August 31. After extending Gen Athit once when he reached the mandatory military retirement age of 60 last August, Mr Prem refused to extend the general again.

The government spokesman said "most of the military" backed the change.

It looked likely that a stand-off between Gen Athit and Mr Prem was reaching a climax, analysts said.

In recent weeks both men have received well-publicized visits from various Army factions that observers said were intended to show the strength of each man's support.

Political commentators have said a vote of no-confidence in parliament May 1 that led to the body's dissolution and the calling of elections was due to behind-the-scenes maneuvering by Gen Athit, an allegation he denied.

Commentators also saw Gen Athit's hand in a wave of pre-election defections from the Social Action Party (SAP), the main component in Mr Prem's four-party ruling coalition. They said the new United Democratic Party (UDP) was designed to support Gen Athit.

Mr Prem's latest move may prove to have been a political masterstroke since it deprived Gen Athit of his power base just when he needed it most, one analyst said.

A senior Army officer said the move was an especially severe "slap in the face" following Mr Prem's refusal to extend the general's term.

It was the latest in a series of confrontations between the two.

In 1983, Mr Prem's previous government blocked moves by the Army to increase military influence by allowing soldiers to hold elected office.

In November, Gen Athit spoke on national television against an almost 20 percent devaluation of the national currency, the baht, that month by the Prem government.

But Gen Athit's complaints were seen as unnecessary interference by the military in civilian affairs.

Athit Reportedly Reconsidering Decision

BK310247 Bangkok BANGKOK POST in English 31 May 86 p 1

[Text] Supreme Commander Gen Athit Kamlang-ek is reportedly reconsidering his decision to abandon politics after a recent meeting with the leadership of the United Democratic Party.

The UDP has sought support from Gen Athit for the upcoming elections, informed UDP sources told the BANGKOK POST yesterday.

Gen Athit reportedly agreed to continue his support for the party, the sources said.

Party leader Buntheng Thongsawat said the UDP leadership went to give moral support to Gen Athit, who was relieved of the powerful Army commander-in-chief post last Tuesday.

The sources said the UDP leadership was uncertain of continued support from Gen Athit following his dismissal.

The POST yesterday quoted a close friend of Gen Athit as saying that the general had lost interest in politics and would leave for Hawaii to visit his daughter after he transferred his duties to the new Army chief, Gen Chawalit Yongchaiyut.

The UDP leaders who met Gen Athit at his home yesterday included Mr Buntheng, party secretary-general Tamchai Khamphato, deputy leader Col Narong Kittikachon and party adviser Col Phon Ruangprasoetwit.

The sources said the UDP leaders wanted to have Gen Athit's assurance of his continued backing for the party for fear that it would disintegrate without his support.

Mr Buntheng confirmed to the POST yesterday the meeting with Gen Athit, but said it was "personal" in nature.

The UDP leader claimed that his party had become a target of attack by certain people "who were spreading rumors to cause internal rifts in the party so as to weaken it."

"We are a major party and have enemies who want to make our party smaller," he said.

Mr Buntheng denied that his party belonged to either Gen Athit or former Social Action Party leader M.R. Khukrit Promot. "Ours is a party with Buntheng as its leader," he maintained.

The UDP will announce its list of candidates by June 5, Mr Buntheng said. He also claimed Gen Kriangsak Chamanan's National Democratic Party might join forces with the UDP, saying negotiations were under way to bring about a merger.

The UDP has reportedly decided to approach former deputy Army commander-in-chief Gen Chuthai Saengthawip to run for the party in the military-dominated Dusit constituency. Gen Chuthai was transferred to an inactive post as Army inspector-general by the same order which relieved Gen Athit of the top Army post.

In another military-dominated constituency of Bangkhen, the UDP will be represented by former National Housing Authority Governor Lt-Gen Yutthasak Khlongtruatrok and another retired general, Mr Buntheng revealed.

Lt-Gen Yutthasak was also appointed to direct the UDP election campaign in Bangkok.

Meanwhile, sources told the POST that a party leader whose political future "is in question" had called on Gen Athit to seek the general's support for his candidacy in the Dusit constituency.

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CSO: 4200/1103

PREELECTION DEFECTIONS, JOCKEYING, REACTIONS CONTINUE

New Force Party Not To Field Candidates

BK060213 Bangkok THE NATION in English 6 Jun 86 pp 1, 2

[Text] The New Force Party decided yesterday to give up its plan to field candidates in the upcoming election due to financial constraints to meet the legal minimum of 174 candidates, prompting several of the party's candidates to switch to Community Action Party (CAP), THE NATION learned last night.

Well-known singer Suthep Wongkhamhaeng and Social Democrat leader Khlaeo Norapati have decided to join CAP, running respectively in Khorat and Khon Kaen provinces.

CAP leader Bunchu Rotchanasathianb said that several promising New Force members will join his party. Prasit Narongdet, the chief adviser for CAP, said: "We are quite proud of the quality of our candidates and are confident that we will emerge from the election reasonably strong."

Prasit, a former SAP [Social Action Party] Ubon Ratchathani MP, said he himself will not run in the upcoming election. "I prefer to play the supporting role for the party," he said.

Bunchu confirmed that he will stand in Nakhon Sawan in the election.

Khlaeo said he would announce his decision today.

He admitted that his Social Democrat members have defected to CAP and the Progressive Party.

Bunchu also said that former Social Action Party MP Charat Phuachuai will run in Petchabun, while Seni Madakakun, another SAP defector, will stand in Nara thiwat while Watsana Phuphantanti will contest in Krabi.

Prayun Suraniwong, formerly with the New Force before joining the National Democracy Party, yesterday decided to join CAP to run in udon Thani Province as well.

Prasit had tried in vain for weeks after the May 1 House dissolution to merge CAP and New Force. One suggestion at the time was that Bunchu take over leadership of New Force while dissolving CAP. But both sides couldn't agree on a compromise.

The New Force Party met yesterday under the chairmanship of party leader Prasan Tangchai and decided that it would not be able to field the minimum requirement of 174 candidates because of inadequate financing. "In a way, this has brought about the possibility of virtually merging the two parties," Prasit said last night.

Addressing about 200 would-be CAP candidates at the party head office, Bunchu officially declared he was teaming up with veteran Wasant Intharasut in Nakhon Sawan's Constituency 3.

Bunchu-Wasant team expects to face stiff competition from PM's Office Minister Sawat Khamprakop and his younger brother, Prathuang, who are to run under the banner of the United Democratic Party in the same constituency.

Wasant's defection to the CAP reflects a rift within the six-member group of former Nakhon Sawan MPS under the leadership of Sawat, of which Wasant once was a member.

Bunchu looking confident told the gathering he intended to make the rice-growing Nakhon Sawan Province "the world's biggest rice market."

Apart from that, he said, the party planned to launch a major change in the country's economic policy, especially in financing. CAP would do its utmost to expand financial institutions and to stimulate foreign investment, he said.

The former Bangkok Bank president also pledged to set up nationwide saving cooperatives from which low-income earners could seek loans at lower interest rates than those offered by commercial banks. Price guarantee for agricultural products would also be included in the party platform.

He said the party expects to field not less than 280 candidates and some of them will seek seats in the capital's seven constituencies.

The surprise of the meeting was Suthep Wongkhamhaneg who announced he was leaving the New Force Party to represent CAP in Nakhon Ratchasima's Constituency 1. Suthep, who was earlier expected to run under a Democratic ticket, will team with Sunthon Chantharangsi.

Suthep said he decided to switch to CAP because the New Force Party was facing difficulties in meeting the minimum requirement of fielding 174 candidates.

"In addition, the platforms of New Force and CAP are not so different and I'm a close friend of Khun Bunchu and Darong Singtothong," Suthep said, adding that about 20 more New Force members also planned to switch to the CAP.

Meanwhile, CAP deputy secretary general Suthat Sirattanaphan said Prasit Narongdet will help the party recruit about 20 candidates for the Northeast.

Social Democrat Party deputy leader Khlazo, he said, is likely to join CAP and run in Khon Kaen Province. Khlaeo has been deprived of the right to stand in the election by Khon Kaen provincial court for violating the Election Law during the 1983 general election. However, he has asked the Appeals Court to overrule that decision.

Meanwhile, former Ayutthya MP Sayan Sakiya told THE NATION he had learned that the Social Action Party had wooed Col Narong Kittikhachon to switch from the United Democratic Party (UDP) to SAP.

Sayan later asked Narong about the report but Narong denied he would defect to UDP.

Sayan said that the contacts between Narong and SAP was established through Bunphan Khaewatthana, a relative of deputy SAP secretary general Montri Phongphanit.

Both Narong and Montri are former Ayutthya MPS.

PM Office Minister Defects to UDP

BK060234 Bangkok THE NATION in English 6 Jun 86 p 2

[Text] PM's Office Minister Sawat Khamprakop yesterday officially defected from the Social Action Party (SAP) to the United Democratic Party (UDP) and said that he is ready to resign from the Cabinet if the prime minister does not ask him to stay on.

Sawat said that he will discuss the issue with Prime Minister Prem Tinsulanon Tuesday and if the premier gives him the liberty to decide, he will tender his resignation.

"If he said I should stay on, then I will comply with his wish," he said.

Sawat said that his group of about six former MPs will follow him to UDP.

The former Nakhon Sawan MP admitted he was concerned if Community Action leader Bunchu Rotchanasathian decided to stand in the province and complained: "Khun Bunchu should not treat me like this."

He said that if the report was true, he would not sleep well.

Bunchu yesterday declared during a seminar of CAP's [Community Action Party] candidates that he will run in Nakhon Sawan.

Asked why he appeared so concerned about Bunchu's decision to run in Nakhon Sawan, Sawat said: "Khun Bunchu is not only a millionaire. He is a billionaire."

Sawat said he decided to quit SAP because of the rifts which broke out as a result of M.R. Khukrit Pramot's abrupt resignation from the top party post.

The former party leader, he said, should have had named an heir-apparent long before his resignation.

However he said that the new political parties were formed to carry out "ad hoc missions" and that he hopes splinter groups of former MPs would get together again under the leadership of M.R. Khukrit.

Sawat said he joined UDP for two reasons: The party comprises many SAP cofounders and secondly, the UDP leadership had agreed to his project of establishing an agriculture council to monopolize paddy trading.

"My idea is to set up a mechanism through which farmers can replace the middle men in the paddy business," he said.

He said that UDP had so far recruited more than 200 "strong candidates" to run in the July 27 general election. Of the candidates, about 70 are former MPs. According to Sawat's own assessment, the Democrat Party will win about 90 seats, Chat Thai about 75, UDP about 70, SAP about 35, Ratsadon about 20, Prachakon Thai about 15 and Mass Party about 15.

The political parties, he said, have been divided into three camps: the pro-Prem camp comprising the Democrat Party, Ruam Thai and Ratsadon, the anti-Prem camp comprising UDP, Chat Thai, and Community Action Party (CAP), and the neutral camp. He said that the second grouping did not want to support Supreme Commander Gen Athit Kamlang-ek as prime minister.

Defections Swell CAP Ranks

BK070232 Bangkok THE NATION in English 7 Jun 86 pp 1, 2

[Text] The ranks of the Community Action Party (CAP) have been swollen by the defection of about 160 members of the Social Action Party (SAP), the New Force Party and the Social Democrat Party, a CAP member said yesterday.

Former Khon Kaen and SAP MP Suthat Sirattanaphan said that out of that number, about 100 defected from SAP, about 20 others led by well-known singer Suthep Wongkhamhaeng shifted from New Force and 39 others came from the Social Democrat Party.

All of them, he said, are non-MP's.

CAP leader Bunchu Rotchanasathian, meanwhile, expressed high hopes that New Force would merge with CAP after the July 27 general election. He said it may be imperative that New Force do so because the Constitution restricts the growth of small parties. "Many key members of New Force have swayed towards CAP," he said.

He added that the CAP team running in Songkhla had wholly shifted from New Force.

Suthep, former New Force deputy leader, told reporters that he and his colleagues decided to quit the party because its financiers had withdrawn their support at the last minute.

Yotthong also took to task certain provincial governors who he said were biased against some political camps and arranged election constituencies in favour of their favourite parties.

He also lashed out at partisan ministers who refused to leave the Cabinet as a matter of political spirit, charging some of them with using their powers to win votes. "As the coming poll will be filled with dirty tricks, we may have some parliamentarians elected through dirty means. And democracy will be further marred as well," he said.

New Muanchon Party Leader Opposes Prem

BK070236 Bangkok THE NATION in English 7 Jun 86 p 2

[Text] Democrat defector Chaloem Yubamrung has replaced Assistant Police Director General Pll Lt Gen Banthoeng Kampanatsaenyakon as leader of the Muanchon (Mass) Party, it was announced yesterday.

Chaloem will serve as acting Muanchon leader until a party congress is held after the July 27 general election. The party congress is expected to officially endorse his nomination as leader.

During yesterday's news conference at the party head office, Chaloem denied news reports that Banthoeng's resignation from the party's top post resulted from internal conflicts, saying the assistant police chief has been suffering from health problems and could not shoulder the heavy burden as the party's helmsman.

"In addition, Khun Banthoeng has not yet been officially appointed party leader. Therefore, it was misunderstood that he had resigned from the post," he said.

Chaloem, a strong critic of the Democrat Party under whose banner he was elected a Bangkok MP in 1983, announced he would not accept the party leadership in case he lost in the coming poll. The acting leader also claimed several chiefs of Democrat provincial branches including Narong Pan-ngam of Roi-Et would resign enmasse from the Democrats and defect to Muanchon in the offing.

Regarding Muanchon's announced stand blocking the return of Gen Prem Tinsulanon as the post-election premier, Chaloem said his party still upholds its stand despite the recent dismissal of Gen Athit Kamplang-ek as the army commander-in-chief.

Chaloem, nevertheless, [words indistinct] disclose who the party would back as the next prime minister nor confirm whether the party has the support of Gen Athit.

The party yesterday also released the almost-completed list of its candidates for the forthcoming national poll. The breakdown of the total 194 candidates nationwide is: 15 in Bangkok, 52 in the Central Region, 19 in the North, 96 in the Northeast and 12 in the South.

Athit 'Might Join' Political Party

BK080146 Bangkok BANGKOK POST in English 8 Jun 86 p 1

[Text] Supreme Commander General Athit Kamlang-ek said yesterday that he might join a political party after his retirement on August 31, but maintained steadfastly that he would not form a party of his own.

He also said that he has been the victim of a smear campaign.

Gen Athit said that before entering politics he would take a rest after his retirement.

"On the question of whether or not to set up a party, I will not do it because one has to have money, manpower and experience," he added.

Instead of setting up a new party, Gen Athit said, he would rather join an existing one and help to improve it from within. He, however, commented that Thai politicians tended to prefer setting up new parties "like constructing bridges which will come to a halt when the fund dries up."

He stated that if he was to join a party at the persuasion of some politicians, he would consider three factors--the intent of members in that party, his role, and his status in the party.

Asked to comment on a recent statement by government spokesman Trairong Suwannakhiri, alleging that he gave out secret funds to political parties in a bid to topple the Government, Gen Athit instead reaffirmed his non-interference with politics, but quickly pointed out that he had many friends among politicians.

"Everyone has friends and must communicate with each other. But that does not necessarily mean that one has to support another," he said, adding: "When they (politicians) came to see me, how could I shut the door in their faces?"

He reiterated that Colonel Narong Kittikachorn of the United Democratic Party [UDP] came to see him to seek his counsel over the colonel's conflict with another leading UDP member, Colonel Phon Roengprasoetwit.

The general said that he felt he had become a victim of an organised smear campaign, but added that he was unperturbed by the ill-will attempt against him.

"Whatever the allegations, let it be. I will adhere to the principle of dhamma--to spread mercy to those people (who made the allegations). We are all Buddhists and Buddhists must be merciful," said Gen Athit. He added: "Everything depends on the heart. If we think good, we can be happy and can face any event smilingly."

The Supreme Commander disclosed that one day before he was removed from the army commander-in-chief position by Defence Minister Gen Prem Tinsulanon, he was in Surat Thani Province having a talk with highly-respected monk, Phutthathat Phikku.

He said that the revered monk told him that one could be happy if one showed mercy towards other people.

Because of the worthy advice from Phutthathat Phikku, he said that he was not perturbed by the criticism and allegations against him. "I still exercise and play badminton every day and I will continue to work until my retirement," he added.

"Nobody can remain forever; even the body can age, but one thing remains for good--that is virtue," he said philosophically.

Asked about the proliferation of political parties, Gen Athit said that he believed the problem was attributable to the habits of the Thai people themselves. "Thais prefer to create new things. Therefore, many political parties were set up," he said, however, adding that he believed all parties have good intention towards the country.

Gen Athit said that Parliament members had always been mistaken by their constituents as candidates who could give everything to them. In fact, he said, the MPs are simply representatives of the people whose duties are to protect and fight for the rights of their constituents.

Prem Not To Run in Elections

HK080400 Hong Kong AFP in English 0316 GMT 8 Jun 86

[Text] Bangkok, June 8 (AFP)--Thai Prime Minister Prem Tinsulanon Sunday announced he will not run in general elections next month despite pressure to become Thailand's first elected head of government.

Mr Prem, 65, made the announcement to the press in Korat, a town in northeastern Thailand 256 kilometers (153 miles) from here, on the eve of the opening of candidates' registration for the July 27 poll.

The prime minister said the present care-taker government had to "remain neutral" to guarantee fair elections. He added that if he were to join a political party to run in the poll, he would then "look as not acting in a neutral manner."

Asked whether he would accept a fourth mandate as prime minister, Mr Prem said such a decision would have to wait until after the elections.

The prime minister addressed only two previously-submitted questions during the 10-minute meeting with the press. Reporters were requested to abstain from asking further questions.

Mr Prem, who has led three successive governments since 1980, was under pressure to set a precedent in running for a political party and become the first elected prime minister since Thailand became a constitutional monarchy in 1932.

Sitthi, Praman Comment on Prem Decision

BK090125 Bangkok THE NATION in English 9 Jun 86 pp 1, 2

[Excerpts] Nakhon Ratchasima--Premier Prem Tinsulanon yesterday ended months of speculation by announcing that he will not join any political party to run in the July 27 general election.

But the prime minister, speaking to reporters at his residence at the headquarters of the Second Army Region, left open the question of whether he would want to retain his premiership after the election. "It's not yet time to answer that question," he said.

Prem said if he joined any party, he would lose his neutrality. "As the leader of the caretaker government, I will have to make sure that the election is held in an honest and fair way," he said.

His decision was welcomed by Deputy Premier Sitthi Sawetsila who said that as leader of the caretaker coalition Prem has to maintain strict neutrality.

"If the premier had decided to join any of the parties, there would definitely be political confusion," he said.

Sitthi, who is also leader of the Social Action Party (SAP), said though Prem will not run in the election "it doesn't mean that his chance of becoming premier again is closed."

Sitthi, who is known to be a close friend of Prem, said the next leader should be an honest, capable and decisive person.

Maj Gen Praman Adireksan, leader of Chat Thai Party, said he took Prem's decision not to run in the election as an indication that he did not want to be premier again.

"If he wanted to retain the premiership, he should run in the poll," he said.

Former premier Gen Kriangsak Chamanan said the next premier should come from the election. He said he believed that leaders of all the parties were ready to become premier.

"And if it was the wish of the people, I myself would be ready to be premier," he declared.

Deputy Premier Phichai Rattakun said Prem served the country to protect the interests of the people with honesty. But he refused to say who should be the next prime minister.

Phichai's Democrat Party is known to have tried to persuade Prem to run in the election as its candidate.

2 Small Parties Merge With Liberals

BK090145 Bangkok THE NATION in English 9 Jun 86 p 3

[Excerpt] Two small political parties facing difficulties in finding enough candidates to run in the general election yesterday formally announced their decision to merge with the Seri Niyom (Liberal) Party of former university affairs minister Prida Phatthanathabut.

Leader of Rakthai Party, Araya Phanitkun, and a representative of Puang Chon Chaothai Party, were present at a press conference at the headquarters of the Seri Niyom Party to announce their merger.

Also attending the press-conference were Prida, Col Narong Kittikhachon and Lt Gen Yutthasak Khlongtruatrok.

Narong and Yutthasak have just broken away from the strife-torn United Democratic Party to join Seri Niyom Party.

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CSO: 4200/1120

PROTECTIONIST BILLS IN U.S. CONGRESS VIEWED

BK040539 Bangkok Voice of Free Asia in English 1500 GMT 2 Jun 86

[Article: "Omnibus Trade Bill: Another Sign of Congressional Depreciation"]

[Text] The United States House of Representatives on 22 May 1986 voted 295 to 115 in favor to pass the Omnibus Trade Bill. A bill branded as trade reform bill would actually restrict and limit free trade. The bill includes, among others, provision to restrict trade, such as requirement for those countries with successive trade surpluses with the United States to curtail them by 10 percent a year or face trade retaliation by the United States. It is believed that, since President Ronald Reagan has pledged to veto the bill because it is protectionist it would diminish the president's discretionary authority, thus, give the congressmen a chance to vote for the bill with freer hand knowing that it will never be enforced.

Nevertheless, House Speaker Thomas "Tip" O'Neil, commenting on the passage of the bill with overwhelming support, said the bill sent a historic message that the United States will no longer stand by and watch American industry be replaced by foreign industry. In other words, this bill implies that the United States has had enough foreign imports that compete and unfortunately replace American products. And this bill, if it ever became law, would help alleviate the problem to a certain extent.

The story in our view is unfortunately not that simple. If Americans no longer wish to stand by to see foreign imports compete with U.S. goods and erect trade barriers, how could Americans expect others to stand idly by and watch American goods replace those of their own, or where would they get their means to pay for American products? Protectionism is not a solution to the trade problem. As fundamental academic theory tells us, it only aggravates further the trade situation by inviting retaliation and resulting in loss in consumer welfare through higher prices and less choices.

To cite just a few, the Omnibus Trade Bill or HR 4800, as its name indicates, is an omnibus frustration, a collection of grievances and displeasures of various pressure groups--industries and intergroups. This is the main reason why the bill is so popular. It will be hard, though not impossible, for a congressional representative to explain to his constituents why he voted against the bill. He might be branded as having no concern to his local industry, which is under pressure from foreign imports. To vote for the bill, knowing that it will be vetoed, is an easy way out and an attractive choice.

The bill, the vetoes, the trade of veto--all indicate some sign of desperation to the trade problems the United States is currently facing. The United States last year registered a trade deficit of over $148 billion and a year earlier at $123 billion, both being successive record high deficits. Obviously, something must be done. No nation can live on following that way. Fortunately, during recent months we have seen some remedial actions. For example, the group of five has, since October last year, managed to drive the dollar lower vis-a-vis another major currency, particularly the mark and yen. The dollar has depreciated around 30 to 40 percent against the yen since the dollar dipped in February 1985, and, as the outcome of the Tokyo summit in early May indicated, the dollar will still remain low. In the United States itself, various efforts have been undertaken and actually initiated by Congress to curtail the massive budget deficit by the Gramm-Rudman-Hollins Act. A reduction in the budget deficit will further ease the pressure on the interest rate and the dollar. As U.S. budget deficit narrowed and the dollar depreciated, it is only a matter of time before the U.S. balance of trade begins to improve and consequently the revival of American jobs and industry. For this reason alone, Congress could have waited and might even afford to stand by had only the congressional election not been scheduled this November when all the House members and one third of the Senate would be out for the voter scrutiny.

It is a relief that President Reagan has already branded the bill as being both protectionist and antitrade, and he is likely to use his veto pen. Nevertheless, with the overviewing words of HR 4800, we undoubtedly have something to worry about.

Firstly, the bill still reflects clearly the attitude towards trade in this U.S. Congress. It clearly implies continued sentiments of protectionism. This has prevailed during the past few years. With the existing trend, it will be harder and harder for the U.S. administration to counter as day goes by, and it will be even more difficult for other nations to appreciate and on their part refrain from taking necessary actions.

Secondly, and more important because it lies closer to our heart, is that the number of the legislators who supported the bill can be more than enough to override the presidential veto. Our hope is only that the bill will not obtain an equally strong support in the Senate, and--if it does pass the Senate and subsequently face the veto--some of these honorable legislators might then have second thoughts. Otherwise, the consequences will be gloomy. Since we believe that protectionism is bad, it will not help America; neither will it benefit the rest of the world.

Finally, there are people who hope that HR 4800 may fail, but it will serve as a model for others, though more moderate, but acceptable to both Congress and the administration to pass. For this last point, others can only rely on the leadership of the United States as the aggregate and supporter of free trade to resist further protectionist legislation and to trust that the commitment at the Tokyo summit to holding and reversing protectionism be honored.

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CSO: 4200/1103

FOREIGN MINISTRY'S ASA SARASIN COMMENTS ON PRC VISIT

BK290101 Bangkok BANGKOK POST in English 29 May 86 p 3

[Text] China has indicated that it cannot buy from Thailand every time it is asked and has suggested that long-term bilateral economic plans be drawn up for future trade, the Permanent Secretary for Foreign Affairs said yesterday.

Mr Asa Sarasin, who returned yesterday from a week-long visit to China, said trade relations between the two nations so far have been satisfactory and there have been no cases involving forced purchases.

He said a Thai-Chinese joint committee on economic relations has been set up with the Chinese Vice Foreign Minister, Liu Shuquing, acting as chairman.

He said two sub-committees on investment and trade have also been formed, with help from the embassies in Bangkok and Beijing.

Mr Asa said both countries realised the need to increase trade and investment and that the Double Taxation Agreement and investment-related measures already in effect should help brighten the investment climate in both countries.

He added that Thailand and China have agreed to hold regular talks on trade issues and avoid market competition.

China also decided to buy more maize from Thailand. Earlier this year, Beijing had increased its purchase of Thai rice from 120,000 tons to 200,000 tons.

Main political issues raised during Mr Asa's visit were centred on the conflict in Kampuchea. Mr Asa said China supported ASEAN's position and called for the withdrawal of Vietnamese forces from the war-torn country.

He said China remained firm on its support for the Khmer resistance's eight-point proposal and called it the most comprehensive solution to the Kampuchea problem.

Mr Asa said ASEAN will be sending representatives to Africa, the Middle East and Latin America to lobby support for ASEAN's position on Kampuchea before the Non-Aligned summit takes place in August.

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CSO: 4200/1103

LEADERSHIP CHANGE, FUNDING FOR RICE BANK REPORTED

Bangkok NAEO NA in Thai 19 May 86 pp 7, 8

[Unattributed report: "Prem Charges That Some Parties Are Using Issue in Campaign, Will Supervise Rice Bank Himself By Putting Suli in Charge Instead of Commerce"]

[Text] Prime Minister Prem has ordered Minister Suli to replace the under secretary of commerce as head of the project to establish a rice bank. He charged that some political parties are using the project to win votes. He also wants to pave the way for using money from the oil fund for this project. Because project expenditures may reach 4 billion baht.

Mr Danai Dulasampha, the director-general of the Economic Department, Ministry of Foreign Affairs, disclosed that last week, the ministries of commerce, agriculture, and foreign affairs held a joint meeting in order to discuss the establishment of a rice bank. The meeting was chaired by Flying Officer Suli Mahasanthana, the minister attached to the Office of the Prime Minister. The main topic of discussion was to obtain money for the project.

A news source in the Ministry of Agriculture said that the cabinet originally appointed Mr Wichan Niwatuang, the under secretary of commerce, to head the project, which was tantamount to turning the project over to the Ministry of Commerce. But later on, Flying Officer Suli was appointed project head. This was done with the approval of Gen Prem Tinsulanon, the prime minister, who wanted the Office of the Prime Minister, and not the Ministry of Commerce, to be responsible for the project. This is because parliament has been dissolved, and there will be an election in July. He did not want political parties using the rice bank project in their campaigns.

Another reason is that funds for this project may have to be taken from the oil fund. Thus, he wanted Flying Officer Suli, who is responsible for oil affairs, involved in this project, too.

The news source said that at last week's joint meeting, the three ministries discussed the structure of the rice bank. The Office of Agricultural Economics conducted a study and recommended that the rice bank collect rice reserves in excess of market demand. It proposed that the rice bank buy the paddy from the farmers at 10 percent above market price.

This paddy will be milled and then exported in accord with the government-to-government marketing contracts and sold in various provinces. Some of the rice will be sent to help countries that have been hit by a natural disaster This will be done based on our relations with those countries.

Originally, it was thought that approximately 2 billion baht would be needed to establish the rice bank. Of this, 600 million baht was to come from the Ministry of Commerce, 400 million baht was to come from the Ministry of Agriculture, and 1 billion baht was to be borrowed from commercial banks. But because of the effect of the U.S. Farm Act, it is now estimated that the rice bank will have to purchase and store approximately 300,000-400,000 tons of rice in order to intervene in the domestic rice market effectively. This will require approximately 4 billion baht, assuming that farmers are paid 2,500 baht per kwian [1 kwian equals 2,000 liters] for their paddy.

"Minister Suli has asked to consider the principles first. He has asked that the details for each stage be worked out and then submitted for consideration," said the news source.

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EX-SUPREME COMMANDER SAIYUT OPPOSES U.S. ARMS DEPOT

Bangkok MATICHON in Thai 14 May 86 p 2

[Unattributed report: "Saiyut Charges That Establishment of Arms Depot Is Contrary to Original Objective"]

[Text] Saiyut has charged that the war reserve stockpile project has been twisted to the point where it has become a matter of interests. He wants all factions to stop talking and start over based on the original plan.

Gen Saiyut Koetphon, the former supreme commander, talked about the establishment of a war reserve stockpile. He said that the original project was initiated during the period that he served as supreme commander. The matter was discussed with the Ministry of Foreign Affairs in order to have it help obtain weapons for Thailand, which lacked the money to purchase and stockpile large quantities of weapons. Thus, the plan was to obtain support from abroad without restriction as to country. This was to be done through the Ministry of Foreign Affairs.

Gen Saiyut said that after he retired, this plan was altered, and it became a matter of the United States establishing a war reserve stockpile in Thailand. This is very different from the original plan. It has become a matter of U.S. interests. There is also the issue of who will benefit from guarding the stockpile and from other aspects.

"This is a completely different project. I think that people should stop talking about this, because this will just lead to a split. The military itself is distrustful, because this has become a matter of interests. We should stop talking about this and start all over based on the original plan," said Gen Saiyut. He added that he supports the plan to bring in weapons to defend the country. But he opposes the present project, because it is a matter of interests.

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EX-SOCIALIST MP, PROGRESSIVE PARTY ORGANIZER PROFILED

Bangkok MATICHON SUT SAPDA in Thai 18 May 86 p 16

[MATICHON Profile column: "Mr Chamni Sakdiset, a Former MP From Nakhon Sithammarat Province"]

[Text] He was born on 3 March 1947 in Sam Tambon Subdistrict, Ron Phibun District, Nakhon Sithammarat Province. He is the second of the five children of Mr Kruk and Mrs Choi. He completed lower primary school at the Wat Samnakkhan School in Ron Phibun District. He completed secondary school at the Benchamarachuthit School in Nakhon Sithammarat Province. He then studied law at Ramkhamhaeng University.

In 1968 he went to work for the Ministry of Commerce as an inspector. In 1970 he served as a tax auditor with the Revenue Department, Ministry of Finance. He left government service in 1971 to participate in student activities as a student from Ramkhamhaeng University.

In 1973 he joined the National Student Center of Thailand during the period that Mr Sombat Thamrongthanyawong was the secretary general. He took part in the struggle to demand a constitution and drive Field Marshal Thanom Kittikhachon, Field Marshal Praphat Charusathian, and Col Narong Kittikhachon out of the country during the events of 14 October 1973. In the wake of those events, he was appointed head of the democracy popularization project in the south.

In 1975 he was elected MP from Nakhon Sithammarat Province as a member of the Socialist Party of Thailand. In 1976 he served as the secretary general of the Socialist Party of Thailand. On 6 October that year, many students were killed at Thammasat University, and the Reform Council headed by Admiral Sangat Chaloyu staged a coup and installed Mr Thanin Kraiwichian as prime minister. The various power groups were denied the chance to wage a political struggle. Those in power implemented a dictatorship and so he fled and fought alongside the Communist Party of Thailand (CPT).

In 1981 the political atmosphere improved. Different ideas and viewpoints were tolerated more. Also, he did not feel that the CPT was the answer to Thailand's problems. Thus, he returned to wage a political struggle within a democratic system.

In 1985 Mr Uthai Phimchaichon, the leader of the Progressive Party, asked him to join the party. The Progressive Party has entrusted him with the task of selecting candidates to run in the southern provinces. He will run as the Progressive Party's candidate in electoral constituency 3 in Nakhon Sithammarat Province.

He is married to Thatsana Phanusunthon. They have one daughter.

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SOCIALIST PARTY CHIEF COLONEL SOMKHIT PROFILED

Bangkok KHAO PHISET in Thai 14-20 May 86 p 9

[Reception Hall column: "Col Somkhit Sisangkhom, a Man Who Has Faced the Challenges"]

[Text] During the middle of 1980, when KHAO PHISET was still known as SIAM NIKON, the magazine sponsored a seminar on the constitution and democracy. One of those who participated in the seminar was Col Somkhit Sisangkhom. On that occasion, Col Somkhit expressed great disappointment in Thai politics, which he said was characterized by an endless circle of holding an election, staging a coup and tearing up the constitution, drafting a new constitution, and holding a new election. One dictator after another seized power. Col Somkhit said that Thai politics was still stuck in a "vicious circle."

The words "vicious circle" became a well-known phrase after that. But the person who uttered these words remained in the background and carried on political activities quietly in order to perfect democracy. He did "thankless jobs" many times. On many occasions he was attacked by those who held different views.

Col Somkhit has been involved in politics ever since 1945 when he was a lieutenant. He ran for parliament from Udon Thani and came in second. In 1956 he ran for the second time and again came in second. In 1957 he went to England to study sociology. In 1969, after returning from England, he again ran for election and won. But Field Marshal Thanom Kittikhachon staged a coup in 1971 and so he had to return to government service. In 1974 he had a chance to serve on the National Legislative Council and helped draft the 1974 constitution, which is considered to be a very democratic constitution.

In 1975 Col Somkhit became the leader of the Socialist Party of Thailand. He ran for election in Udon Thani and was elected MP. But this parliament did not survive very long either. The Socialist Party of Thailand had to disband in the wake of the bloody events of 6 October 1976. Many party members had to flee into the jungle because of the political situation. But Col Somkhit remained in the city and continued to speak out about democracy with the same confidence and idealism as before.

In 1979, amidst the developing political situation, Col Somkhit joined together with Khlaeo Norapoti, Suthi Phuwaphan, Suthat Ngoenmun, Prasoet Loetsayaso, Inson Buakhieu, Chan Kaeochusai, Wirot Sakset and others to form the Social Democracy Party. Two members of the party, Khlaeo Norapoti and Suthi Phuwaphan, were elected to parliament in the 1983 general election. Both Khlaeo and Suthi are almost certain to win re-election on 27 July.

The above is based on what Col Somkhit told us when we had a chance to talk with him. We had a chance to talk with him about his past and that of other "socialists."

Few people thought that the Social Democracy Party would be able to put up a fight again. But the party will field 174 candidates as required by the constitution. Some people say that the party is making a "last ditch" effort.

"If I intended to switch parties, I would have done so a long time ago. How could I do that when most party members have stuck by the party and continue to struggle? I have to fight for my ideals. As long as the party resolution calls for struggle, I will struggle. But if the party is disbanded, that is another matter. But I won't desert the party," said Col Somkhit testily.

Col Somkhit has announced that he will run for election in his home province of Udon Thani in the 27 July election. He will run against MPs who have large campaign funds, including Kiettichai Chaichaowarat and Prasop Butsarakham. But he is sure that the people of Udon Thani, in whom he has great trust, still have confidence in him.

Col Somkhit is 65 years old. His financial position is the same as that of the Social Democracy Party. That is, both are poor. But both are rich in ideals. The 27 July election gives Col Somkhit and the Social Democracy Party another chance to win the approval of the people.

"Even though neither I nor the party have any money, I am very confident," said Col Somkhit with a troubled but spirited look in his eyes.

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DEPUTY SPECIAL WARFARE CENTER COMMANDER PROFILED

Bangkok DAILY NEWS in Thai 19 May 86 p 5

[DAILY NEWS Square column by Nanthana: "An Experienced Combat Officer Who Is Second in Command to Lt Gen Sunthon Khongsomphong"]

[Text] Maj Gen Thanaphon Bunyopatsatham, the deputy commander of the Special Warfare Command, is one of the two deputy commanders under Lt Gen Sunthon Khongsomphong, who often visits the prime minister. The other deputy commander is Maj Gen Sanan Sawetsenni.

Maj Gen Thanaphon Bunyopatsatham was born on 2 April 1934. He completed lower secondary school at Wat Bophitphimuk School in 1949. He graduated from the Chulachomklao Royal Military Academy (CRMA) in 1957.

After graduating from CRMA, he served as an armor NCO cadet platoon leader and as a tank platoon leader with the 5th Battalion, 2d Cavalry Regiment. Then Lt Col Prem Tinsulanon was the battalion commander.

In 1959 he took the course for company-grade infantry officers at Fort Benning, Georgia. He also observed activities at Fort Lewis. In 1960 he took a jungle warfare course in Malaysia. In 1963 he took the course for field-grade officers at the Cavalry School in Saraburi. Following that, he served as an operations and training officer and as the deputy commander of the 10th Battalion, 2d Cavalry Regiment, Chakraphong Camp, Prachinburi Province. After attending the Army Command and General Staff College, he was assigned to the 6th Regimental Combat Team, Sapsitthiprasong Camp, Ubon Ratchathani Province. In 1966 he served as the chief of staff of the 2d Cavalry Regiment.

In 1967 he commanded an independent company in Korea with the 20th Relief Forces. He carried out his duties in an outstanding manner and was commended for his work in the well-known Snowball exercise. Before he left Korea, the United States offered him a chance to attend the U.S. Army Command and General Staff College at Fort Leavenworth. In 1970 he served along the border in Nan Province. His troops succeeded in capturing several communist terrorist bases. He came under attack by communist terrorists several times while taking troops to guard the road to Ban Huai Kron. He captured many important communist terrorists. For example, he captured Mrs Pathum, the wife of Comrade Prasitthi (Khe), a member of the CPT Central Committee. During the Nam Chang Operation in the Pha Daeng Mountains, he seized several communist terrorist bases near Muong Ngoen in Laos.

In 1973 he attended the U.S. Army Command and General Staff College at Fort Leavenworth, Kansas. In 1974 he served as the deputy commander of the 2d Cavalry Regiment. In 1977 he led the 267th Battalion Combat Team on an operation in Nan Province. He succeeded in suppressing the communist terrorists and bringing peace to the area. He also opened up a highway along the eastern border for the people in the northern part of Nan Province. This made things much more convenient for the people.

In 1981 he was appointed deputy chief of staff for the 4th Army Area and commander of a thahan phran irregular special action unit subordinate to the 4th Army Area. He helped formulate a plan to improve the thahan phran irregulars. Because of this, he gained a good reputation. He also made a name for himself during the Tai Rom Yen operation. He was promoted to major general and appointed chief of staff of the 4th Army Area in 1983.

In 1984 he was appointed deputy commander of the Special Warfare Command. He has participated in developing this unit and in formulating an unconventional warfare curriculum. He has helped improve the operations efficiency of this unit, which has been the hope of the unit's commander. He has participated in the joys and sorrows of this unit and welcomed VIPs on several different occasions. He was awarded the Ratchaisriyaphon Prathamaphon Mongkut Thai Medal.

He has three children. He likes all types of foods. He stopped smoking a long time ago and exercises regularly. He drinks socially. His two oldest children are Police Sublieutenant Akraphon Bunyopatsatham, who graduated from the Samphran Police Academy and who is now studying in the United States, and Sublieutenant Sorawut Bunyopatsatham, who graduated from CRMA and who is now serving with the 3d Battalion, 11th King's Guard Infantry Regiment. His youngest child, who is 11 years old, attends Satri Phyathai School.

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POLICE RAID CANDIDATE; SEIZE WEAPONS, AMMUNITION

BK040131 Bangkok BANGKOK POST in English 4 Jun 86 p 1

[Text] The 75-year-old mother and younger brother of a Progressive Party candidate were charged with possessing war weapon ammunition following a pre-dawn raid by 90 troops and police yesterday.

Maha Sarakham candidate Dr Koson Sisang was away during the 3:50 a.m. raid in which his mother, Mrs Lao, and brother, Mr Suchat, 26, were arrested. Also charged was Prayong Tapacha.

The raid on the Vapeepathum district house was led by Second Army Col Prachak Wisuthikun with a search warrant issued by Crime Suppression Division [CSD] Commander Maj-Gen Bunchu Wangkanon.

Allegedly seized in the raid were 15 .45-calibre and nine carbine bullets, a bayonet, two amateur radio transmitters and some books.

As more than 200 onlookers gathered at the scene, one army officer was alleged by spectators to have shouted out derogatory remarks about the political affiliations of Dr Koson and the Progressive Party.

Speaking at the Progressive headquarters in Bangkok, Dr Koson, former secretary-general of the Christian Student Centre, denounced the raid as "a frame-up" which, he alleged was "probably politically-motivated."

The would-be candidate for Constituency 1 said the ammunition neither belonged to him nor his family.

Dr Koson alleged that the officers confiscated 3,400 baht from his mother and damaged property during the search.

Party leader Uthai Phimchaichon said he will counter-charge the officers involved in the raid and the subsequent arrests. "The arrest of innocent civilians should serve as a warning to other parties and other candidates," said the Progressive Party leader and former House Speaker.

The CSD commander said he had signed the warrant on Monday at the request of the Second Army officers involved in communist suppression and had assigned 10 CSD officers to work with them.

Maj-Gen Bunchu said the request was made through Police Department Director-General Gen Narong Mahanon.

Pol Gen Narong said last night he knew nothing of the warrant and was unaware of the arrests.

It was reported that the arrests were ordered by Second Army Chief-of-Staff Maj-Gen Phaibun Hongsinlak.

It was not immediately known whether the three suspects were still being held.

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STATE ENTERPRISES UNINFORMED OF REFINANCING LOANS

Bangkok NAEO NA In Thai 5 May 86 pp 7, 10

[Unattributed report: "Three State Enterprises Angry With Ministry of Finance for Not Discussing Matters With Them Before Borrowing 60 Billion Yen To Refinance Loans"]

[Text] Three Thai state enterprises are angry with the Ministry of Finance for borrowing 60 billion yen to refinance the old loans without discussing this with them first. They were informed only after the loan was taken. It will be more difficult to borrow money next time. Minister Sommai will definitely sign the loan agreement on 6 May.

A report from state enterprise circles has informed NAEO NA that three state enterprises, that is, the Electricity Generating Authority of Thailand, Thai Airways International, and the Government Housing Bank, are upset with the Ministry of Finance's decision to borrow 60 billion yen, or approximately 9.3 billion baht, to refinance the old loans.

The state enterprises are upset because the Ministry of Finance took this action without discussing this with them first. Instead, it took this action first and then sent a letter informing the state enterprise administrators of what it had done on 30 April after the cabinet approved this on 29 April.

"Actually, refinancing an old loan at a lower rate of interest and extending the term of the loan is fine. But the units concerned should be shown some courtesy even though the Ministry of Finance is guaranteeing the loans."

The news source said that even though the action taken by the Ministry of Finance was proper and reasonable in principle, there are certain factors that pose a problem for the state enterprises. In particular, it will be more difficult for them to borrow money in the future.

"Whenever you refinance, it indicates that you are having difficulties. In the future, it will be more difficult for us to borrow money on the loan markets. They will be unwilling to give us good conditions."

Besides this, in taking a joint loan like this, there is the problem of the financial stability of each state enterprise unless specific loans are taken for each unit. But even so, when such action is taken without informing the people concerned ahead of time, they have to waste time revising their financial plans. On behalf of the Ministry of Finance, Mr Sommai Huntrakun will sign the 60 billion yen loan contract with the creditors, comprising 24 institutions headed by the Bank of Tokyo, on Tuesday, 6 May, at the Erawan Hotel.

The cabinet passed a resolution on 29 April authorizing the Ministry of Finance to borrow this money at a rate of interest of 6.1-6.7 percent for the purpose of paying off the old loans that carry interest rates of 7.1-9.2 percent. The loan repayment periods have been extended from an average of 4.3 years to 10-15 years.

11943
CSO: 4207/243

FISHERIES TO GET JAPAN AID, VANUATU PACT POSSIBLE

Bangkok NAEO NA in Thai 16 May 86 pp 1, 2

[Unattributed report: "Fishermen To Establish Fleet, Expand Fishing Area in the South Pacific"]

[Excerpt] Thai fishermen have a bright path. They are preparing to expand operations into the South Pacific. Besides increasing exports, this will help reduce imports of certain types of marine products such as tuna. The Ministry of Foreign Affairs is providing much support. Japan has been asked to provide technical help. At the same time, a request has been made to abolish the transit fee.

Around noon on 15 May at the Ministry of Foreign Affairs, Sublieutenant Praphat Limpaphan, the deputy minister of foreign affairs, and Mr Chia Kokphon, the president of the Samut Sakhon Fishing Association, issued a joint statement. Mr Chia stated that the cabinet had recently given the Fishing Association permission to establish a fishermen's welfare fund. This fund will greatly benefit fishermen. The fund will be used to help seamen who have been arrested by other countries and to aid boats damaged during floods. It will also be used to support coastal development.

Mr Chia also said that the Ministry of Foreign Affairs, the Ministry of Agriculture and the Fishing Association are now working together to formulate a plan on operating boats in the South Pacific. This would take in the area from Australia to Vanuatu. Mr Chia said that this plan is being formulated following the negotiations with the prime minister of Vanuatu, who visited Thailand recently. "He did not set any conditions, and we are ready," said Mr Chia. He said that if we can do this, this will give us additional fishing grounds at a time when the number of Thai fishing boats is increasing and the number of fishing sites is decreasing. "We will disband the small fleets and form a large fleet. This will enable us to expand fishing operations."

Sublieutenant Praphat said that a sea pact between Thailand and Vanuatu will help solve the fishing problem. Besides enabling Thailand to catch more fish, this will help reduce the import of certain types of marine products. For example, Thailand imports 100,000 tons of tuna each year.

Sublieutenant Praphat added that discussions have been held with Japan. Japan is prepared to provide technical help. Besides this, Thailand has submitted a note to Japan asking them to abolish the transit fee on fishing boats.

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CSO: 4207/245

THAILAND

BRIEFS

RICE FOR IRANIAN OIL--The Commerce Ministry has won Cabinet approval to trade with rice for crude oil with Iran on a barter basis. Officials from the Foreign Ministry's economics and treaty departments, the Commerce Ministry and Petroleum Authority of Thailand left for Iran on Tuesday to improve the terms of the formula to be used in calculating the arrangement. If the alterations are agreed upon, the Thai side would sign a contract to buy 80,000 tons of crude oil from Iran in exchange for 110,000 tons of rice. [Text] [Bangkok BANGKOK POST in English 29 May 86 p 3 BK]/12766

GOVERNOR WARNS GUNMEN AGAINST ELECTION MISCHIEF--Phet Buri Governor Chaowat Sutlapha has asked local gunmen to stay calm during the July 27 general election. Speaking at a meeting of provincial governors at the Asia Hotel yesterday, Chaowat said he had held a meeting with some of the gunmen in the province and asked them not to create trouble during the election. In the past, many gunmen were involved in conflicts during political campaigns, he noted. In an unprecedented move last year, Chaowat negotiated a truce between two rival groups of gunmen in Phet Buri. This has earned him much respect among the gunmen and local people. As for this year's election, Chaowat said he had asked the local people to observe the movements of gunmen and inform police if there were signs of untoward incidents breaking out. "So far, there have been no signs of an open conflict," he said. Chaowat said provincial officials would step up a campaign to urge the people to exercise their voting rights on the election day. Regarding reports of vote-buying attempts, the governor said provincial authorities have already issued an announcement advising the people not to vote for candidates who pay them money. [Text] [Bangkok BANGKOK WORLD in English 31 May 86 p 3 BK]/12766

VILLAGER ON INTELLIGENCE MISSION--Nakhon Phanom--A Thai villager who was trained by Vietnamese in Laos has sneaked into Renu Nakhon District of this northeastern province on an intelligence mission, police said today. The man was identified as Chan Lampong, of Nabua Village in Renu Nakhon. Police said he was trained by the 5th Vietnamese Division based in Bung Khang Village of Khammouane Province in Laos. [Text] [Bangkok BANGKOK WORLD in English 31 May 86 p 3 BK]/12766

ANOTHER CPM CAMP SEIZED--Betong, Yala--Troops seized another satellite camp of the Communist Party of Malaya yesterday, the Civilian-Police--Military Force 43 Commander Col Chamong Phairot said. He said a company of army-trained rangers yesterday seized 10 houses belonging to the CPM's Region 2 of Company 3 near the Thai-Malaysian border. They contained equipment and a large number of documents. A force led by Lt Udomsak Buaphrommai encountered about 10 guerrillas near the border while approaching the CPM 2nd Company of the 2nd Region. The 20-minute clash ended when the CPM broke contact with Thai troops in hot pursuit. The colonel yesterday called a meeting of officials of Betong and Than To Districts. He assigned police to set up checkpoints to stop supplies going to the Communists and to provide protection for villagers. Wirun Chanthasiwirot, representing Betong residents and merchants, told the BANGKOK POST yesterday that the CPM has no ideology and extorts supplies from villagers. He said the CPM, after a government attack, would harass villagers for more support. He said that a CPM faction in Region 1 now gives full support to southern separatists. In February, he said, the CPM allowed the separatists to attack a bus on the highway to Betong. [Text] [Bangkok BANGKOK POST in English 24 May 86 p 3 BK]/12766

FARMERS SEEK CANDIDATES' VIEWS--Mr Prarom Buasamli, the chairman of the Central Committee of the Farmers Group of Thailand, said that political parties that want farmers' votes should clarify their policies on helping farmers. Mr Prarom said that if the parties want farmers' votes, they should clearly state what they intend to do to help farmers. If the farmers feel that their policies will really benefit the farmers, the farmers will vote for them. But so far, no political party has made a clear statement on this issue. However, Mr Prarom said that the Farmers Group will submit a letter to the mass media and political parties explaining the plight of the farmers. In conclusion, Mr Prarom said that he would like to tell those who will form the new government that something must be done to improve rice prices. Because today, rice prices are low throughout the country. No one is buying the rice. About 30 percent of the rice is still in the hands of the farmers. [Text] [Bangkok NAEO NA in Thai 14 May 86 p 3] 11943

CSO: 4207/245

SVAY RIENG RELATIONS WITH SRV PROVINCE DESCRIBED

Hanoi NHAN DAN in Vietnamese 11 Apr 86 p 3

[Vietnamese-Lao-Cambodian Fraternal Solidarity column: "Long An-Svay Rieng Cooperation"]

[Text] Long An and Svay Rieng provinces share a common border 142 km long. The peoples of the two provinces have had a spirit of solidarity and mutual support for many generations. In 1985, new achievements were scored in the cooperative and friendly relationship between the two provinces.

Long An helped its neighbor build commercial stores in the cities. These stores went into operation in July 1985. Long An sent industrial goods for retail sale, and Svay Rieng used the money earned to purchase goods for remittance to Long An. In agriculture, Long An loaned rice seed to Svay Rieng and helped it plant the 1985 summer-autumn rice crop. More than 500 hectares were planted in new short-term varieties of rice (planting new rice varieties is a new problem for Svay Rieng). It also helped Svay Rieng test grow peanuts, which turned out successfully. Last year, two more important communications projects in Svay Rieng were completed with the help of Long An. The two projects were the Su Dao bridge and the Sau Hue sluice. As for exchanging goods, Long An sent cement, beer, and medicines to Svay Rieng in exchange for meat hogs and a number of types of agricultural goods such as corn and beans.

In 1985, Long An Province sent 13 cadres subordinate to the water conservancy, agricultural, industrial, commercial, and public health sectors to help Svay Rieng. These cadres completed the tasks entrusted to them and helped train hundreds of cadres, workers, and technical personnel. Long An Province also reserved non-reimbursable aid for Svay Rieng, including new rice varieties, construction capital, and allowances for [foreign] specialists. Cadres and other people from Svay Rieng were given medical treatment at the Long An provincial hospital and at district hospitals. Long An sent Svay Rieng two shipments of tonics and medicines valued at tens of thousands of dong.

This year, along with completing the projects already in progress, Long An and Svay Rieng provinces are promoting cooperative relations that will benefit both provinces. In this, much attention is being given to quality and economic results.

11943
CSO: 4209/550

WISE IMPLEMENTATION OF 1986 EXPORT-IMPORT PLAN URGED

Hanoi NGOAI THUONG in Vietnamese Feb 86 pp 3-4, 14

[Article: "To Better Implement the 1986 Export-Import Plan"]

[Text] The year 1986 is the year which begins the 1986-1990 5-year plan, a plan of very great significance in fulfilling the economic-social missions in the first phase of the period of transition, which were set forth by the Fifth Party Congress. The year 1986 must be a year in which the collective mastership right of the working people is brought into play, the revolutionary movement of the masses is seething all over the nation, and the leadership of the Party and the management of the state are clearly improved, in order to create a strong transformation in attaining the goals that have been set. With regard to foreign trade, 1986 is a year in which the entire sector must endeavor to step up its export-import activities and strengthen its management of foreign trade to contribute to the successful fulfillment of the 1986 economic-social missions. At the same time, it must endeavor to continue to create a strong transformation is eliminating the bureaucratic centralism-subsidy system, form a new management mechanism, and change the commercial units over to socialist economic and commercial accounting. The fulfillment of the missions of the export-import plan has an especially important significance. To do a good job of fulfilling the missions of the export-import plan is for the foreign trade sector to make an extremely important contribution to victoriously attaining the economic-social goals, especially in the enterprise of building the material-technical bases of socialism and in resolving the imbalances of production and life.

In order to victoriously fulfill the missions of this year's export-import plan, it is necessary to fully implement the policies, measures, and regulations regarding stimulating the development of production and strengthening export-import management which have been promulgated by the state. Furthermore, it is necessary to firmly grasp the Ministry of Foreign Trade stipulations (in accordance with Circular No 03/BNg T-XNK, dated 18 January 1986) providing guidance with regard to fulfilling the 1986 export-import plan.

With regard to exports, on the basis of the state norms assigned to the sectors, localities, and economic units with regard to the production, state purchasing, and delivery of export goods, the export-import organizations must sign contracts during the first quarter of this year to purchase export goods.

At the same time, they must sign contracts with the production bases regarding the supplying of materials vis-a-vis the parts of the plan in which the export-import organizations are responsible for supplying materials for production. If the production bases encounter difficulties because they cannot be supplied sufficient materials in accordance with the state plan norms, the export-import organizations must report to the Ministry of Foreign Trade so that steps can be taken, along with the production bases, to resolve the materials problem, especially with regard to imported materials, in a manner appropriate to the policies and regulations that have been promulgated. The central export-import organizations must report to the Ministry of Foreign Trade and the managing organs the results of the signing of contracts to purchase export goods and make the necessary recommendations. The economic units of the sectors and localities assigned norms by the state for producing, purchasing, and delivering goods to the central echelon for export must sign contracts for the delivery of goods in accordance with the norms and ensure the fulfillment of contracts. Only goods produced or purchased in excess of the contracts can be used for other purposes, including exporting by the sectors and localities.

With regard to such important export goods as rubber, coffee, tea, peanuts, soybeans, jute, coconut, shrimp, squid, cinnamon, etc., the general corporations and export-import corporations must supply sufficient materials, in accordance with the plan norms of the localities, and the localities must deliver goods for export by the central echelon in accordance with the plan norms and prices set by the state. The localities may export such goods only after fulfilling the plan norms regarding the delivery of export goods to the central echelon. In the event that it is necessary to mobilize goods beyond the legal norms to fulfill international obligations, the Ministry of Foreign Trade will inform the local people's committees, which are obliged to give priority to turning over additional goods to the central echelon and enjoy the same benefits as if the central echelon had been commissioned to export the goods. The general corporations and central export-import corporations also must provide materials and goods to meet the production requirements of the localities.

The central and local export-import organizations and the other economic organizations must strictly observe the regulations regarding the management of export goods purchasing, and must not arbitrarily raise prices beyond the state guidance prices in order to compete in buying export goods.

Allowing sectors and localities to export goods beyond the legal norms will be based on plans for the production of export goods and export plans that have been approved by the competent echelon. The localities which do not have conditions for producing export goods can form economic alliances with the other localities to organize production and include it in their export plans. The forms of economic alliances among localities must have the goal of developing additional sources of export goods. The localities which enter into economic alliances and share production are authorized to export those products directly or commission their export. With regard to such important products as rubber, coffee, tea, peanuts, soybeans, jute, coconut oil, shrimp, squid, cinnamon, etc., the localities forming alliances must sign contracts and make reports regarding the sharing of products in order to have a basis for reference when export permission is given. The Ministry of Foreign Trade will organize and guide the export of those products in accordance with the principle of there being only one trade contact with the foreign markets for each product.

With regard to importing, in order to ensure the use of most of the foreign exchange earned form exporting to import materials an goods necessary to serve production and life, the importing of goods beyond the legal norms must be in accord with the following stipulations:

With regard to the importing of production means, the foreign exchange earned from exporting (including borrowing imports in advance and using exports to repay debts later) must be used first of all to import production means to serve agriculture, such as fertilizer and insecticide; production means to serve the catching and raising of maritime products, such as marine engines, fishing equipment; and raw materials necessary for the production of industrial, small industry, and handicraft consumer goods, such as fibers, chemicals, and plastics. Furthermore, appropriate amounts must be set aside for building the material-technical bases of the sectors and localities. Materials and raw materials that have been produced and supplied in ample amounts, or the production of which can be organized to meet requirements, such as cement, glazed tiles, etc., must not be imported.

The importation of complete sets of equipment, production lines, etc., must have the approval of the central production and technical management sectors and must be in correct accord with the stipulations of the state. The signing of import contracts must be accomplished by means of specialized central-level export-import corporations or in close coordination with the specialized import-export general corporations.

With regard to the production means that must be imported from other markets outside the socialist market sector, in·accordance with the above-mentioned requirements every year, when drafting plans, the sectors and localities must report to the State Planning Commission. If the State Planning Commission feels that it can supply the sectors and localities from the state materials stockpiles, the sectors and localities which receive those materials must give priority to repaying the central echelon by using the foreign exchange earned by the sectors and localities.

With regard to the importation of consumer goods to meet domestic needs, it is necessary to manifest a spirit of economizing, oppose boasting and waste, and primarily import essential goods which our country cannot yet produce and supply. It is forbidden to import such luxury goods as alcoholic spirits, tobacco, artistic goods, etc., and goods which can be produced domestically,such as MSG, thermos bottles, electric fans, bicycles and parts, electric appliances, the various kind of silk cloth, ready-made clothing, etc.

The importation of such consumer goods as motorbicycles, TV's, video cassette recorders, radios of all kinds, audio and video tapes, and refrigerators from outside the socialist market sector must be limited. Foreign exchange used to import essential consumer goods cannot exceed 15 percent of the foreign exchange earned from exports (that ratio does not include the foreign exchange used to import consumer goods to sell at retail prices in stores which sell goods for foreign exchange).

With regard to the importation of consumer goods to sell for foreign exchange, the sectors and localities have been authorized to set up stores to sell goods at retail prices for foreign exchange to foreign guests and others who legally have foreign exchange, in accordance with state regulations, and are authorized to import the various kinds of goods to meet the consumer needs of those categories. Our cadres and workers who have gone to work abroad and send or bring foreign exchange back to Vietnam must be guided in consuming import goods in a manner appropriate to life in our country. The selling of such goods must be tightly managed and they must not be sold to people who are not authorized to buy them or slipped out to the free market.

With regard to the exchange of goods with Laos and Cambodia, the economic cooperation, commercial exchange, and mutual assistance relations between our country and the two fraternal nations of Laos and Cambodia have special significance and importance. The exchange of goods with those two countries must be concretized in the export-import plans and specific steps must be taken to meet those plan norms. When there is importing or exporting through the ports of entry permission must be obtained from the Ministry of Foreign Trade.

5616
CSO: 4209/556

HOANG TUNG MARKS FOUNDING OF JOURNALISTS' ORGANIZATION

OW041820 Hanoi VNA in English 1002 GMT 4 Jun 86

[Text] Hanoi VNA June 4--A 400-strong meeting was held at the journalists' center here today to mark the 40th anniversary of the International Organization of Journalists (OIJ).

It was attended by, among others, Hoang Tung, secretary of the Communist Party of Vietnam Central Committee and president of the Vietnam Journalists' Association (VJA) and foreign journalists working in Hanoi.

Speaking at the event, Dao Tung, OIJ vice-president, vice-president and general secretary of the VJA, recalled the OIJ's constant growth over the past 40 years, and its endeavours in fighting for peace, friendship and mutual understanding among nations.

He highlighted the important role played by journalists in the present fight to safeguard peace and prevent a nuclear war. The OIJ, he said, has been working hard to protect the journalists' professional rights in the fight for mutual understanding and cooperation among nations, and a world free of war.

Dao Tung recalled that the VJA has been affiliated to the OIJ since 1950, and since then this international organization has wholeheartedly supported Vietnam's wars of resistance against aggression, and for independence, freedom, and national reunification and reconstruction.

On behalf of the Vietnamese journalists, he warmly thanked the OIJ for its moral support and material assistance including personnel training.

The participants at the meeting adopted a letter of greetings to the OIJ on the anniversary.

/12712
CSO: 4200/1106

BRIEFS

MONGOLIAN CHARGE ON MPRP CONGRESS--Hanoi VNA June 4--The Charge d'Affaires A.I. of the Mongolian Embassy, Batbouyan, held here today a press conference on the results of the recent 19th Congress of the Mongolian People's Revolutionary Party. Addressing the press conference, Batbouyan highlighted the great results of the 19th M.P.R.P. Congress. With regard to the foreign policy of the M.P.R.P., he reaffirmed that the Mongolian party, government and people totally support the efforts made by Vietnam, Laos and Kampuchea aimed at normalizing the situation in Southeast Asia and stepping up dialogue with the A.S.E.A.N. countries in order to turn Southeast Asia into a region of peace, stability and cooperation. He stressed that the recent partial withdrawal of the Vietnamese Army volunteers from Kampuchea once again showed the goodwill of the three Indochinese countries and that the situation in Kampuchea is irreversible. [Text] [Hanoi VNA in English 1559 GMT 4 Jun 86 OW] /12712

SWEDISH PAPER INDUSTRY AID--Hanoi VNA June 4--Swedish Ambassador to Vietnam C.E. Lindahl and Vietnamese Vice Minister of Forestry Tran son Thuy signed in Hanoi yesterday two agreements on Sweden's aid for Vietnam's paper industry. Under these documents, the Swedish Government will give further aid to Vietnam in developing its paper industry concerning the operation of the Swedish-built Vinh Phu Paper Mill and a program of afforestation and land protection aimed at ensuring a regular feed for the mill in the period 1986-1990. [Text] [Hanoi VNA in English 1555 GMT 4 Jun 86 OW] /12712

DELEGATION RETURNS FROM MONGOLIA--Hanoi VNA June 5--A delegation of the Communist Party of Vietnam led by Chu Huy Man, Political Bureau member of the party Central Committee and state council vice president, has returned here after attending the 19th Congress of the Mongolian People's Revolutionary Party. [Text] [Hanoi VNA in English 1455 GMT 5 Jun 86 OW] /12712

DELEGATION TO ITALY, FRANCE--Hanoi VNA June 5--A delegation of the Central Vietnam Coastal province of Quang Nam-Da Nang has paid a friendship visit to Italy and France. The delegation led by Pham Duc Nam, chairman of the provincial people's committee and Presidium member of the Vietnam Committee for Friendship and Solidarity with Other Peoples, had cordial meetings with leading officials of several localities, friendship associations and Vietnamese residents in these countries. Agreements on economic cooperation and good exchange between Quang Nam-Da Nang and some Italian and French firms were signed during the visit. [Text] [Hanoi VNA in English 1447 GMT 5 Jun 86 OW] /12712

CSO: 4200/1106

REPORT ON LENINIST PARTY WORK STYLE PUBLISHED

Hanoi NHAN DAN in Vietnamese 25 Apr 86 p 3

[Party Building column: "Fifth Party Congress Resolution on Work Style"]

[Text] On the occasion of the entire Party carrying out the first phase of self-criticism and criticism, NHAN DAN has excerpted below the part of the Report on Party Building dealing with the Leninist work style:

It is necessary to change the working method and create for the Party a Leninist work style. That is a major concern in our Party's leadership work. The actual situation has clearly shown that correct working methods and rules are an especially important factor in assuring accuracy in making decisions and transforming them into reality.

a. First of all, it is necessary to completely change the method of preparing and issuing decisions, especially with regard to economic matters, along the lines of strengthening the scientific nature of working methods.

An essential matter in making correct decisions is firmly grasping the actual situation and ensuring accurate information. That demands that there be close monitoring of the actual situation by the leadership cadres, and that we pay all-out attention to strengthening organization and changing the way the staff organs study and grasp the situation. The research organs must synthesize the situation and process information in order to draft plans based on accurate information. The information synthesizing organs and elements must obtain information rapidly, select information that should be reported, and make timely reports to assist cadres in leading and guiding problems in a suitable manner. It is necessary to respect opinions of the masses and synthesize the opinions of the lower echelon.

Preparations for the important decisions must be based on study of the different alternatives, there must be close coordination among the responsible organs of all echelons and sectors, extensive use must be made of the research results of the institutes, and the opinions of people well-versed on the topic must be obtained. With regard to the new, complicated, and especially important matters, the Political Bureau and the Secretariat must directly guide trial implementation and use the actual results of that trial implementation to make decisions.

It is necessary to make careful preparations before making decisions, the rationale of which is already clear, in order to reach unanimous agreement or select the alternatives. In the event that unanimity has not been reached, the matter must be thoroughly discussed, and opinions must not be reconciled out of indulgence or indecision, with the result that half-baked decisions are made, which causes harm in many respects: the understanding and implementation of the resolution are not unified, which causes dispersion ad reduces the effectiveness of discipline vis-a-vis carrying out the decisions.

It is necessary to pay attention to creating conditions so that the decision of the Party and state can be based on scientific analysis. The economic plans and policies must be reviewed comprehensively and deeply, and specific calculations must be made. It is necessary to promote basic studies, strengthen the statistical work, and firmly grasp and analyze the situation in order to serve the requirements of leadership.

It is necessary to crate a process, extending from top to bottom, of making decisions in the spirit of ensuring that decisions are not made if there is insufficient information, if their effect is not calculated, and when the procedures regarding decision making are not followed.

b. Only by making correct decisions is it possible to create a basis for the course of action. The key matter is organizing the implementation of decisions in order to transform them into reality. If the study of decision making is one, the organization of implementation must be ten. We must resolutely overcome the situation of beating the drums and then throwing away the drumsticks, and being satisfied with making decisions. There must be plans for implementing resolutions, there must be an explicit division of labor among people and organs responsible for implementation, deadlines must be set, and people and organs must be designated to monitor, oversee, and inspect implementation. The major resolutions must be concretized in a timely manner into specific policies and measures. With regard to matters in which we do not yet have experience, we must have trial guidance before expanding their scope.

Leadership and management art is knowing how to concentrate effort and attention on which places and which aspects. Special attention must be given to investigation, preliminary recapitulation, final recapitulation, gaining experience, commendations and awards, and timely discipline.

c. The changing of decision-making methods and the organization of the implementation of decisions in accordance with the above requirements are an important part of Leninist working methods and style. We must do many things to achieve that style in improving the Party's leadership.

It is necessary to grasp the requirements of achieving unity between theory and practice, between words and deeds, and between policy and organization. The serious separation at present between those aspects is an important reason for the lack of effectiveness in organizing implementation.

It is necessary to achieve unity between the revolutionary nature and scientific nature of all tasks, and to combine revolutionary enthusiasm with organized action and good methods. The Party must create for the cadres a practical, concrete way of thinking and the habit of calculating the effectiveness of their work. It is necessary to urgently bolster leadership cadres with regard to leadership science and management science.

It is necessary to work in accordance with functions and work rules, and not arbitrarily work in accordance with the private opinions of the people in charge. From the central echelon down through the lower echelons it is necessary to strengthen organization and use it well. The apparatus must be streamlined and the people directing it must truly be people who are capable and knowledgeable. On the basis of the work functions and rules it is necessary to review the implementation of decisions, with timely praise, awards, and discipline.

It is necessary to achieve a work style of self-criticism in the Party and before the masses, and to truly discuss with the people the resolution of difficulties in the management process in order to continually advance the movement. Every 3 or 6 months, or when there is a major task, the opinions of the people must be solicited and arrangements must be made for the masses to criticize cadres, party members, and the party and state organs. It is necessary to strictly analyze social opinion in order to adopt stands and policies in a timely manner.

5616
CSO: 4209/555

PROSELYTING TASK, YOUTH UNION ACTIVITIES IN ARMY DISCUSSED

Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese Mar 86 pp 9-17

[Article by Lieutenant General Nguyen Nam Khanh: "On the Occasion of the 55th Anniversary of the Establishment of the Indochinese Communist Youth Union (From 26-3-1931 to 26-3-1986) -- Promoting the Movement for Revolutionary Action Among Youths in the Army"]

[Text] The construction and defense of the fatherland in the first phase of our country's period of transition to socialism is creating momentous but very new and extremely difficult and complicated tasks for all our party, people, and army to fulfill. This undertaking requires that we develop to a high degree the collective ownership role of the people and the combined strength of the entire proletarian dictatorship system. Consequently, the mass proselyting work as it is carried out under the conditions of our party holding the power does not diminish but is greatly increased instead.

The youths are a large force of the masses in society and the party's assault force in carrying out any revolutionary tasks. Therefore, youth proselyting is a great and very important part of the party's mass proselyting as a whole.

Up to now, through all periods of the revolution, our party and Uncle Ho had been showing a great concern about youth proselyting, which was always considered a strategic task of the party aimed at not only responding to the revolutionary task but also building a generation of new and fully developed people who would loyally and brilliantly continue the party's and nation's undertaking.

Today, youth proselyting is also put against the new historical background. In the country, the struggle to resolve in an absolute manner the question of "which one wins" between the two roads, socialist and capitalist, is taking place in a bitter manner; the struggle for steadily defending our people's socialist fatherland and against the multifaceted war of destruction and a form of war of encroachment at the border areas waged by the Chinese expansionists and hegemonists in collusion with the American imperialists is becoming more and more complex and decisive. In the world, the struggle between the two socialist and capitalist systems and between the three revolutionary cascades and the bellicose imperialists in all fields is also very bitter. The enemy are seeking every means to win the youths over to their side, to divide the youths in order to make them go astray, and to take them away from the revolutionary force.

The Political Bureau has issued Resolution 26 on "Strengthening the party leadership over the youth-related work" to suggest very basic and broad matters aimed at stepping up the youth-proselyting work. We can say that this resolution is the party's program of youth-related work and the youths' program of action, as well as the strategy for turning the youths into the new socialist men in the new stage of our country's revolution today.

The youths in the army are an important segment of the nation's youth population.

In our army they account for 80 percent of our force. Forty-five percent of party members are youths. In average, every year between 1981 and now 45,000 outstanding youth union members have been recruited into the party. In the officers' ranks 40 percent are youths. Tens of thousands of cadets in officers' schools are youths, with large numbers of graduates each year being sent to units and thus raising everyday the percentage of youths among officers. This is a force of great potential, for our youths along with other combatants are directly carrying out in a successful manner all of the army's construction and combat tasks in the defense of the fatherland. This is an unlimited source of supply of outstanding young people for the party and officers' ranks.

In basic units, the youths, including those who are low- and middle-level cadres, are the principal objects of leadership, command, party, and political work. The directive of the Central Military Party Committee also determines that "The youth-related work is an important and permanent political task of party organizations and commanders" and affirms that "To properly implement Resolution 26 of the Political Bureau in the army as a whole is to make an important contribution not only to raising its fighting power but also to training and building the new socialist men."

In order to further develop the great role of youths and to push forward their revolutionary action movement, the question that is being raised for leadership over the youths in the army as a whole, as well as in different units, is to thoroughly understand the youth-proselyting views and ideas set forth in the resolution of the Political Bureau, the role of youth proselyting in the army, and the suggestions made by the Central Military Party Committee for correct and creative application to the real situation of the youths in the army.

First of all there is the question of correctly evaluating the real situation of youths.

To evaluate the situation and work having to do with youths in the country as a whole, in the army, and in different units must be extremely objective and scientific to reflect fully the party's views about youths and about evaluating them. Whether the evaluation is correct or not greatly affects leadership over youths and their movement. For the older generation this is a matter of political responsibility and love for the generation that will continue the party's and nation's revolutionary undertaking. Only by having correct views and objective and scientific methods of evaluation can we see all of the great contributions, very basic strengths, and stages of growth of youths, and at the same time find their immature aspects, weaknesses, and shortcomings. If we do things superficially and only find their shortcomings and weaknesses while failing to see the good and basic aspects about them, we will certainly become pessimistic, have no confidence, and easily criticize them and worry about them. But if we simply think that their immature and weak aspects will eventually go away by themselves as "The moon will be full on the 15th" and "As the bamboos get old, their shoots will grow," and fail to see the full responsibility of the older generation, this will lead to an attitude of leaving the youths alone and being uncommitted. Some people also want to take their own "time of youth" a few decades back and to use it as a "precious yardstick" or role model for the young, but because they cannot achieve this subjective wish, they are sad and feel that today's youths are too "spoiled." They do not see the fact that the new requirements of every generation of youths always change with the development of society and of every stage of our country's revolution. These requirements continue and further develop the old fine traditions, but to continue them does not mean to keep them exactly as they used to be. Some people usually consider or treat the young from the position of a "father or uncle" by requiring a respect for hierarchy and ranks but without fully exercising the responsibility of the older generation toward the generation that will continue the revolutionary undertaking; as a result, they tend to have the attitude of ruthlessly imposing their wishes and hence violating the young people's self-respect and human dignity. This situation leads to adverse consequences that are harmful for the good relationships between cadres and combatants and between party members and the masses.

Among the young, quite a few of them put too much stress on the educational background the revolution has given them, believe that they can do impossible things, and lack respect for the advices and experiences of the older generation, whose members they consider too conservative and "have ended their historical role." We must also mention the impressions that some older cadres who are far from exemplary have created in the mind of the young, who can more easily misjudge the older generation. The complex of inferiority that some youths have also is an obstacle that binds their hands and makes them afraid of responsibilities and reluctant to do things. Other youths think a great deal about benefits and demand a great deal from the organization while failing to see their own responsibility and obligation toward society and the party's and nation's revolutionary undertaking today.

It is true that the youths in the army, as well as the young generation today in general, still show such weak aspects as their understanding of socialism, determination to struggle for the revolutionary ideals, spirit of collective ownership, and political responsibility being not very high; their sense of organization and discipline being loose; lack of the abilities that allow them to lead a correct way of life, and so on. But the realities in the last over 10 years of building and defending the socialist fatherland have also indicated that "The youths today who grew up in the nation's great era and were trained by the party and new system have further developed the nation's traditions, have made brilliant contributions, and have matured quickly," as the Political Bureau resolution points out. On the national defense and security front, as in other fields of activities, groups after groups of cadres, youth union members, and youths have been showing their courage and persistence, overcoming any difficulties and hardships, defeating any enemies, steadily defending the socialist fatherland, maintaining political security and social order and security, and enthusiastically carrying out the noble international obligation.

To thoroughly understand the party's views on and meaning of evaluating the situation of our youths and to apply them in a correct and creative manner to the real situation of the youths in different units is a matter of decisive significance that helps to create a unity of views among party committee echelons, cadres, party members, and youths. This is a key requirement in the task of leading, promoting, and pushing forward the youths' revolutionary action movement; a strong basis for fully determining the responsibilities, guidelines, contents, and measures to educate the youths and to mobilize their great potential and strength in fulfilling the political tasks of the army and their unit; and also a direction for the youths' struggle, training, and action.

To teach youths revolutionary ideals is a very important requirement, but to teach ideals is not solely accomplished by promoting them to the next higher political class but must be closely linked with thoroughly understanding and successfully carrying out the tasks of the army and units.

Resolution 26 of the Political Bureau points out that "through labor, combat, learning, and social activities let us train the young generation of our country to become the new socialist men to continue in a loyal and brilliant manner the party's and nation's revolutionary undertaking." This is a very correct direction that must be keenly understood in connection with leadership over youths in different units.

To teach youths revolutionary ideals and objectives for their struggle is the basic task aimed at setting a direction for their action and allowing them to develop their intelligence and talent and to strive to make the greatest and highest contributions to the construction and defense of the fatherland. Take the motto, "Live, fight, work, and learn by following the examples set by the great Uncle Ho," as the main substance and primary objective of teaching ideals to Vietnam's young generations. Do not think that in the present situation to teach revolutionary ideals is something remote. It makes youths keenly understand the direction and task of the revolution, the tasks of the army, and their own tasks; it clearly defines for them the direction of their struggle and how to think and to act in order to develop the role of youths toward the revolutionary undertaking, the task of the army, and the future of the country, which includes the future and happiness of the young generation itself.

It is necessary to make youths in general, especially the youths in the army, clearly see the Chinese expansionists and hegemonists as dangerous enemies, who are directly attempting to conquer our country. This is the greatest obstacle to the defense and construction of our fatherland and to the bright future and lasting happiness of our people and youths. Consequently, the young people's great honor and responsibility require that they stress the nation's heroic and indomitable spirit, readily sacrifice their lives for the fatherland, remain ready to fight and to fight victoriously, firmly defeat any enemy aggressive tricks and any enemy plot to wage the aggressive war on any scale, steadily defend the socialist fatherland, protect the life of peaceful labor, and protect the people's freedom, dignity, and happiness. Therefore, to teach youths the obligation to defend the fatherland is extremely important. This is the only way to help some youths to overcome the tendency to be reluctant to join the army, to avoid difficult and fierce situations, and even to leave combat positions before receiving orders to do so.

To teach revolutionary ideals and combat objectives must be closely linked with fulfilling the political tasks of units, such as training, being ready for combat and fighting, doing work for economic construction, fulfilling international obligations in both regular work and learning, building units, building a clean and wholesome way of living in discipline and with cultural activities, and fighting against the negative aspects.

Patriotism, loyalty to the party and people, and the sense of accepting and further developing the army's proud traditions must be materialized by action through fulfillment of the actual tasks of units. Gradually improve political understanding and teach youths revolutionary ideals by making them learn to follow the examples of good people and good deeds in training, combat and combat readiness, productive labor, learning, regular work, and compliance with army discipline and state laws, and by avoiding generalized appeals and encouragement.

To teach youths the party's combat ideals and objectives, the correct motivation for joining the party, and the concept of struggle, and to train them to become party members and cadres ready to serve for a long time in the army is also an important part of the teaching process aimed at raising the understanding of revolutionary ideals among youths in the army.

The process of teaching revolutionary ideals and objectives for the struggle must be gradually materialized in the young people's program of action and in the plans and goals of all youth union chapters and members and of every youth, and must be closely linked with fulfilling the political tasks of units and achieved through the results of this fulfillment, which helps youths to have a more and more progressive training direction and to gradually overcome weaknesses and shortcomings.

To teach revolutionary ideals, to raise youths' understanding of the latter, and to develop their assault role must go hand in hand with an appropriate concern about their interests, both material and spiritual.

Youths, particularly the generation of young people today, have a great need for knowledge and a good cultural and spiritual life. They need progress and want to know and to be informed of the situation of their country and units. These are new indications on the part of the new men who are aware of their collective ownership right. Therefore, in leadership work, do your best to care about youths' progress and growth, try to respond to the greatest extent to their very legitimate needs, care about their material life, listen to their ideas and aspirations, and create favorable conditions for them to act and to make the greatest contributions to the party's and nation's revolutionary undertaking and ideals.

Care about building strong basic-level youth union organizations and develop the role of the latter as a political organization of youths within the proselyting task aimed at making them struggle to move forward, ceaselessly grow up, and make the greatest contributions to successfully fulfilling their unit's tasks.

Youths are the assault force of their unit in all fields of activities. The Ho Chi Minh Communist Youth Union is the school that teaches communism and the political organization of the youth force. In order to develop the role of youths and to push forward their revolutionary action movement we must first of all care about building youth union organizations and strengthening leadership over youth union activities.

To build strong basic-level youth union organizations is the key task in youth union construction. Youth union activities must attain high quality and effectiveness, which is to brilliantly fulfill its actual tasks and to build mature and strong youth union organizations. In order to accomplish it, attach importance to the contents of these activities and at the same time adopt many measures and forms being suitable for the young, appropriate for such contents but far from showy and formal. The youth union's revolutionary action movement must be realistically aimed at attaining at any cost the goal of successfully fulfilling the political task of basic units and training youths to become the new socialist men.

The strong basic-level youth union organizations first of all must prove that they are the youths' political organization and have correct, active, and creative direction for action in their youth-proselyting work; strict control over their members; and many forms of activities and measures to help youths to train themselves and to make progress. During any decisive and prolonged fighting, when some units encounter difficulties, or when the outside situation has adverse effects on our youths, the strong youth union organizations must educate and mobilize the latter in order that they play the role of the party's revolutionary assault force, along with party organizations strive to help units to overcome any difficulties and challenges, successfully fulfill any tasks assigned to them, and maintain the political role of youth union organizations toward youths.

In building youth union organizations, adhere to the central task, which always is to perfect organization and to train the specialized cadres in charge at all levels in both capabilities and quality, as well as experience in youth proselyting. To build youth union organizations must be made a part of the overall building and organizing task in basic units. Party organizations must consider the task of building youth union organizations their responsibility and avoid assigning it to the youth union or political organ concerned. Always learn from experience in order to properly prepare youths for the struggle to become youth union and party members, army officers, and specialized and technical staff members. Organs and cadres at all levels must have plans for training and rotating the cadres in charge of youth-related work so as to ensure having the right numbers of them and good quality, which both satisfies the requirements of this work and creates sources of supply for the ranks of political cadres. The cadres who do this work must be selected in a manner suitable for their position and the responsibilities assigned to them. In annual plans objectives must be defined for gradually bringing almost all youths into the youth union. Every year efforts must be made to make sure the majority of youth union members fully qualify as members and to raise the percentage of outstanding members by 5-7 percent, and to raise it to 60 percent in basic units by 1990. Among army officers being youth union members 90 percent must achieve the outstanding rank. Strive to have 70 percent of basic youth union organizations and youth union chapters rated as strong and progressive ones.

Elementary and advanced training of youth union members must be linked with creating sources of supply for the ranks of party members and cadres in accordance with the criteria that have been set for party members' activities.

In addition to achieving organizational perfection, party committee echelons, commanders, and political organs must attach importance to providing the youth union with guidance for its activities.

It is necessary to attach importance to improving and raising the quality of the youth union's daily and other activities at the basic level, developing their function as schools that teach communism and train youths in becoming the new socialist men, and creating a strong enthusiastic and broad movement for revolutionary action among youths. In the present situation, concentrate your efforts on teaching the will to fight, the sense of responsibility, and the concept of organizing discipline and stress the concept of ceaselessly raising one's knowledge, mastering military techniques, building a wholesome and simple way of living, and further developing the "Mr Ho's troops" traditions.

Constantly learn from experience and improve and renew the formulas and forms of youths' activities. The forms of activities that both have a keen educational meaning and are suitable for young people, such as contests among young propagandists, meetings of different generations, meeting with young army officers and outstanding youth union members, seminars, forums, tours, exchange of experiences, and so on, must be used in a creative manner to suit the needs and situations of individual units, to make youth proselyting richer and more lively everyday and capable of attracting large numbers of youths, and to have good quality and realistic results.

What is decisively significant in terms of renewing the formulas and forms of activities is to develop the young people's active and creative qualities, for they alone can find by themselves the most appropriate and appealing formulas for activities of people in their age groups. The question being raised in connection with leading youth union activities is to guide them in the right direction, to make the formulas and forms adopted correctly serve the youth union's political tasks, and to avoid being inflexible and coercive. The best ways to renew the youth union's formulas for activities and youth-proselyting work are to cling to the basic level, to know very well the conditions of units and the needs of youths, to organize trial-and-error activities in selected locations in order to learn from experience, and to suggest appropriate formulas for activities, which must be reviewed for eventual adoption in the army as a whole.

In order to properly carry on the youth-related work and to push forward the movement for revolutionary action among youths we must develop the combined strength of entire units and avoid assigning the task to the youth union, political organs, and so on without setting specific terms.

The Political Bureau resolution on youth-related work is an extremely important document that reflects the party's basic ideas and views in its strategic goal of turning the young generation into the new socialist men. To correctly and fully implement this resolution will surely create a profound and strong change in the concepts, views, and responsibilities of all echelons and sectors toward youth proselyting and the youths' movement and further develop their role as an assault force in successfully carrying out the two strategic tasks--building and defending the fatherland--that the party and state have recommended.

Implementing the resolution of the Political Bureau and the directive of the CPV Central Committee and Central Military Party Committee, the Political General Department has had plans for guiding political activities in the army aimed at thoroughly understanding the Political Bureau resolution and pushing forward the youth-proselyting work and youths' movement in the army. This is one of the great jobs to be done in the party and political work in 1986 and belongs to the responsibilities of party organizations, commanders at all levels, organs, sectors, and youth union organizations, as well as the proud responsibilities of all youths, cadres, and combatants in the army.

Under the unified leadership of party committee echelons, on the basis of the party committee resolutions on youth-related work, commanders, political organs, and youth union organizations at different levels must have definite plans to act in conformity with their responsibilities and functions and link them with the work plans of units for specific periods of time.

All political, staff, logistical, and technical organs in basic units must fully understand that their political work and military, technical, and specialized and professional training are aimed at the youths so that they can have appropriate teaching and training purposes and methods and encourage the youths' spirit of collective ownership and creativity.

All organs and cadres specifically in charge of doing youth-related work must study the purposes of teaching and training and recommend to party committee echelons, commanders, and organs such purposes and the methods for teaching and training youths in accordance with the tasks and functions of different sectors.

Under the direct leadership of party committee echelons and with the actual work being carried out by commanders, all organs must closely coordinate their plans and action, unify them, and create a combined strength in their units in order to push forward the youth-related work and the youths' revolutionary action movement. Combine the efforts to study the youths as actual objects in your arms, services, and units; see the differences in the psychological and ideological aspects, tendencies, and aspirations of the various objects or youths in order to recommend appropriate purposes and forms. Include youth proselyting in the teaching programs of officers' schools and institutes in the army.

The youths in the army are a segment of the nation's youth population. Consequently, in our leadership work, we must find every way to closely link the activities of youths in a unit with those of local youths within the area designated for activities of this unit.

Party committee echelons, commanders, political organs, and youth union organizations at all levels must actively coordinate their activities with the party committee echelons and youth union organizations in the localities where they are stationed, discuss their plans for action aimed at implementing the Political Bureau's youth proselyting policies, and combine the overall strength of their units with that of these localities to include it in the youth-proselyting work.

To implement the Political Bureau resolution on the youth-related work is the responsibility of the party as a whole, the entire system of proletarian dictatorship, and all sectors and echelons inside and outside of the army, first of all and most directly of the youth union and its organizations. The youth union and cadres in charge of the latter must be extremely active and creative, offer ideas to party committee echelons and commanders, and avoid being dependent and waiting in a passive manner. Go to the basic level; have an in-depth knowledge of youths; and understand better their feelings, aspirations, life, and activities. When our youths have a clear concept about their collective-ownership role and let their own voice be heard, they themselves will find ways to resolve any matters having to do with the youth-related work, point to the matters that need leadership and assistance from commanders, and develop by themselves the formulas and forms of activities most suitable for the young in the army. To do so those cadres who are solely or partially in charge of youth union work must also correctly evaluate the young, have confidence in the latter's force, and overcome at any cost bureaucracy and coercion, which make youth union work appear so dull and devoid of life and incapable of attracting our youths.

Our party all the time believes that "Youth proselyting is of special importance. It is a strategic matter of the revolution." (Footnote 1) ("Documents of the Fifth Party Congress," Vol 1, Su That Publishing House, 1982, p 129) Youth proselyting is an important part of leadership and party and political work, as well as a part of the responsibilities of commanders.

Presently the task of building socialism and defending the fatherland is giving rise to matters of great importance. The military task in 1986 and the coming years is also demanding very great efforts on the part of the army as a whole.

Let the youths in the army, the party's revolutionary assault force in the armed forces, strive to move forward and, along with the army as a whole, fulfill and overfulfill the tasks that the party and state have assigned to them.

Let us closely link fulfilling the political task with building the youth union very strong and push the movement for revolutionary action among the youths in the army to a new height.

Let us create a new change in the youth-proselyting work and in the manner of leading the youths, and let us strongly develop the role of the latter in accordance with the spirit of Resolution 26 of the Political Bureau in order to realistically celebrate the 55th anniversary of the establishment of the youth union.

5598
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NEW YOUTH MEMBERS AT CUU LONG DELTA PROVINCE

Hanoi THANH NIEN in Vietnamese Feb 86 pp 20-21, 31

[Article by Dinh Lien Huong: "Dismantle the Obstacles Preventing Us From Doing a Better Job of Developing Youth Union Members"]

[Text] In 1985 the provinces of the Mekong Delta made very encouraging advances in the work of building and consolidating organization and developing new Youth Union members. In general, all provinces have attained and surpassed the norm of numerically developing new Youth Union members by an average of 50 percent over 1984, and in some places the numbers doubled. That reflects the all-out efforts of the Youth Union echelons, and also proves in a practical manner the vital force of the Youth Union to strongly rally and attract youths. The phenomenon of "dry Youth Union chapters" is no longer a major concern. However, it is necessary to admit that the ratio of new Youth Union members still accounts for only about 16 percent of the total number of youths in that region, which does not yet meet the requirements. A number of good youths who want to enter the Youth Union and subscribe to the Youth Union statutes but still are outside the Youth Union. The number of older unit members who matured in the Youth Union account for only 30 to 40 percent.

The gate through which youths are admitted into the Youth Union has been opened wide, is being opened wider, and must be opened even wider. The numbers and quality of Youth Union members are very encouraging, but we must not be subjective. We must resolutely prevent the phenomena from developing too easily and hastily, and not "beat the drum and sign people up" and issue Youth Union activity papers to all youths fulfilling their military obligations, etc., which will weaken the combativeness of the Youth Union and lower the standards of the communist youth union members. The development of new Youth Union members must be tied in with the process of consolidating and building strong Youth Union organizations and rationally distributing Youth Union members in the different sectors, with priority to the direct production spheres, especially the agricultural collectives and cooperatives. At present Youth Union members no longer engage in isolated activities, but the direction of struggle is not allow groups to "operate independently" and to gradually tie the Youth Union organizations directly to the production bases and the economic organizations.

On the basis of the above-mentioned requirements and by understanding the actual situation, we believe that in order to build on the accomplishments of 1985 and allow the Youth Union development work to advance to a new level, attention must be paid to resolving the obstacles and problems regarding theory and principle, and in actual work, at the basic level.

Seek the leadership of the Party committee echelons and struggle against the viewpoint of being severe and perfectionist in developing new Youth Union members.

Because of the seemingly mistake-free consciousness and fine intentions with regard to the upward advance and maturization of all Communist Youth Union members is to, sooner or later, stand in the ranks of the glorious Vietnam Communist Party, during the past several years the rate of development of new Youth Union members in the Mekong Delta provinces is very slow. At present, that phenomenon and that perfectionist attitude still exist on the part of some leadership comrades at the village level and even at the district level. That viewpoint has led to the admission of new Youth Union members having to be approved by the party committee echelon after it has carefully reviewed their dossiers and carried out meticulous investigations, in order to "purify the ranks of the Youth Union, create conditions for developing the Party in the future. That has caused the development of Youth Union members to proceed very slowly. In part because of strictness and perfectionism, new Youth Union members account for only about 10 percent of the total number of youths. They account for only 13.8 percent of all youths in Long An province. Thus the gate through which youths enter the Youth Union has not truly been opened wide. Here it is very necessary to affirm that not all youths who enter the Youth Union will become Party embers. Only truly exemplary, truly outstanding Youth Union members who meet all standards will be allowed to stand in the ranks of the Party, in the vanguard ranks of communists. At the same time, the Youth Union must truly be a political organization of youths under the leadership of the Party. All youths who make a good effort and accept the Youth Union statutes can stand in the ranks of the Youth Union in order to steel themselves, make contributions, and rapidly come of age.

Because of strict, perfectionist viewpoints, at present, in a number of bases many good youths who are members of the Vietnam Youth Federation and struggle positively and sincerely to enter the Youth Union cannot do so if a relative or family member has some deficiency or another. Sometimes even the door to the Vanguard Teenagers Unit, the first step for entrance into the Youth Union, is closed because of family backgrounds.

Because of its educational nature, our mission is to bring large number of children over to the side of the revolution. With regard to youths, it is also necessary to create for them all conditions for them to join the organization so that they can be educated and forged and come of age. To say that does not mean that we lower the standards of Youth Union members or the communist nature of the Youth Union organization.

Return to the basic level the right to take the initiative in developing new Youth Union members.

The Youth union echelons from the district level up the provincial level refer to "giving authority" to the basic level to develop the Youth Union. In fact there is no such thing as "giving authority," but only returning to the basic level its "legal" right to take the initiative in developing new youth Union members, in accordance with the Youth Union statutes. Its right of the basic level is still being "usurped" to a considerable extent. In some provinces more than 60 percent of the basic units still do not have that right even though they have been recognized as basic Youth Union bases. Failure to return to the basic units the right to develop the youth Union has resulted from the working method of the upper echelon assuming responsibility but not being able to do the job, of a lack of confidence in the basic units, and of the district echelon wanting to do everything, which has resulted in complicated bureaucratic procedures, and the time from the basic unit's recommendation to a decision for admission taking several months being an ordinary occurrence.

Another matter which must be agreed to in developing new Youth Union members is that membership cards must be issued immediately and not delayed. There have even been instances in which the organization has refused to issue cards to new Youth Union members. With regard to principle, everyone understands that when youths are admitted into the Youth Union that means that they are fully qualified to be issued Youth Union membership cards. That irrational "aberration" is perhaps one of the reasons why the problem of issuing Youth Union membership cards has not been resolved during the past several years, but has remained at the level of 60 to 70 percent, which has considerably affected the work of developing new Youth Union members.

Youth Union members must be developed numerically, but it is necessary to maintain quality, create appropriate ratios of Youth Union in the spheres, and build and consolidate increasingly stronger youth union organizations.

As stated above, in 1985 the rate of Youth Union development in the Mekong Delta provinces represented a great leap forward in comparison to the previous year with regard to both the numbers and quality of Youth Union members. The actual situation has shown that places with large numbers of Youth Union members the Youth Union organization is tight and strong, the youth activities are enthusiastic, and the role of the Youth Union is enhanced. However, the phenomenon of admitting youths into the Youth Union hastily in order to meet emulation norms and mobilize youths for military service still occurs. It is necessary to affirm that the development of new Youth Union members is an inherent, vital responsibility of the Youth Union organization that is carried out continually, and is not an activity of an ad hoc nature, a "gift" to youths, or a matter of "accomplishmentism" in emulation.

Another actuality at present that is much in need of attention is that the numbers of newly admitted Youth Union members are not yet appropriate and balanced in the different spheres. In agriculture, in the agricultural production collectives the ratio of Youth Union members is still low and amounts to only five to seven percent of all youths in the rural areas. Some collectives have no Youth Union members, or else two or three Youth Union members must join in the activities of another Youth Union chapter. In order to combine the building up of the Youth Union organization with the production bases, we cannot but pay much more attention to developing the Youth Union in rural areas. In those places, more than anywhere else, there is a need for the Youth Union to play a role in rallying the collective strength of youths.

Many Youth Union cadres believe that the development of Youth Union forces in agricultural production areas is much more difficult than in organs and schools. That is correct, but the method of overcoming and resolving that difficulty is not to difficult, if the development work proceeds in the right direction and concentrates on the two principal categories: older unit members and members of the Vietnam Youth Federation. Because the Vietnam Youth Federation is at present concentrated primarily in rural areas, outside the state organs and enterprises, to draw Youth Union members from the Youth Federation members is to develop the youth Union in agricultural areas. With regard to the older unit members in general elementary schools and middle schools who are brought into the Youth Union, as many as 70 percent return to produce in the localities. It may be concluded that in order for the Youth Union forces in rural areas to meet the requirements of the missions, there is no other course than to promote the Youth Union development work in general, in a planned manner and in accordance with the principal categories, to ensure that quality keeps up with the upward advance of youths, from the Vanguard Teenagers units or the Youth Federation up to the Youth Union.

5616
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BRIEFS

RESOLUTION ON YOUTH WORK--Hanoi VNA June 4--Young people make up the majority of the workforce in many services. It accounts for 55 percent in agriculture, 55 percent in industry and handicrafts, 80 percent in the standing armed forces and 60 percent in scientific and technical institutions. Annually 1.4 million youths reach the working age. In implementation of the 26th resolution of the Communist Party of Vietnam Central Committee, the Council of Ministers issued a resolution on the policy and measures to develop the right of collective mastery and the shock role of the youth. The youth have to be the pace-setters in all fields of production, distribution and circulation, in the socialist emulation movement to fulfill and overfulfill the state plans, the resolution said. It urged on services and administrative levels to take active measures to ensure employment for all the adolescents at working age and create conditions for the youth to develop their capacities and innovative spirit. The resolution urged the people's committees in collaboration with the Ho Chi Minh Communist Youth Union and other mass organizations to build more schools, libraries, stadiums, clubs, etc. for the benefit of young people through joint effort of the government and the population. [Text] [Hanoi VNA in English 1551 GMT 4 Jun 86 OW] /12712

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HEAVY INDUSTRY AND CONSTRUCTION

VIETNAM

REFRIGERATED WAREHOUSE COMPLETED AT VUNG TAU

Hanoi NHAN DAN in Vietnamese 25 Apr 86 p 1

[Article: "Refrigerated Warehouse With 1,000 Ton Capacity Brought Into Use To Serve Exploitation of Oil and Gas"]

[Text] Recently, at Vung Tau-Con Dao the management board of the Vung Tau oil and gas project of the Oil and Natural Gas General Department turned over a refrigerated warehouse for use by the Vietnam-Soviet Oil and Gas Joint Enterprise. The warehouse was constructed with the assistance of Finland.

The warehouse is used to store perishable foods to serve the units serving oil and gas exploration and exploitation. It has an area of more than 1,312 square meters and a refrigerated area of 3,650 cubic meters. The oil and gas technical workers school of the Oil and Natural Gas General Department, the project's principal construction unit, did a good job of combining training and production with real effectiveness. The school which for the first time undertook the construction of a large-capacity refrigerated warehouse, worked with the management board of the Vung Tau oil and gas projects in carefully studying the construction area, in supplying technical materials, and in rearranging the instructional and work schedules in order to mobilize sufficient forces and ensure the construction rate. During the construction process, the school came forth with many innovations, especially the manufacture of assembly equipment, which both made possible rapid assembly and ensured precision in assembly. Thanks to the rational organization of construction, the construction units completed the project 1 month early and installed 392 tons of equipment safely and with the correct techniques. The project was constructed with good quality and is ready to serve off-shore and on-shore construction by the oil and gas construction units, which is developing broadly.

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CSO: 4209/555

SEMINAR HELD ON SMALL INDUSTRY-HANDICRAFTS PRODUCTION

Hanoi DAI DOAN KET in Vietnamese 24 Apr 86 p 7

[Article by Kieu Vinh: "Seminar Held To Discuss the Development of Small Industry-Handicrafts Production"]

[Text] Small industry-handicrafts production in Ho Chi Minh City has many strengths with regard to labor, technology, capital, equipment and machinery, and commerce with domestic and foreign markets. It accounts for more than 50 percent of the total output of the city's entire industrial-small industry-handicrafts sector. However, it still has many latent capabilities which have not been fully exploited. If there are correct policies and measures to create additional favorable conditions, it will develop even more strongly. Decision No 34/QDUB of the Municipal People's Committee regarding the organization, management, and encouragement of small individual and family small industry-handicrafts production and the secondary family economy has the agreement and support of industrialists and merchants, working people who have capital and skills, small merchants who want to change over to production, and workers, civil servants, and cooperative members who want to fully utilize the families' idle time in order to increase their legitimate income.

However, because of failure to firmly grasp the contents and characteristics of the period of transition to socialism, policies and measures regarding small industry and handicrafts production and the small industry and handicrafts producers themselves are still beset with many difficulties. Therefore, at present, despite much concern and enthusiasm over the policy of encouraging individual and family small industry and handicraft production and secondary family production everyone is more or less concerned and worried. Will that policy endure for a long time or will it "be shelved after a few years?" Does the Central Committee sympathize with and support it? Is it fully understood by all directly relevant echelons and sectors, such as the financial, banking taxation, market management, foreign trade and other sectors, so that they can strictly and fully create favorable conditions, and not obstacles, for production? Many businessmen have expressed the opinion that they still want to produce because they have capital, machinery, and experience, because they love their occupations, and because they want to serve society and earn additional legitimate income for their families, but that they are very much afraid of being classified as exploiting elements, being placed in the transformation category, etc. They have many other thoughts about protecting their rights to produce, market products, and own the value created by their labor, etc.

Only if those concerns and worries are resolved can everyone contentedly and enthusiastically organize production and transform the policy into lively and rich reality in the city's economic and social life. That will be a "breech" with regard to thought and confidence which, if opened, will give rise to a high tide of production with many good prospects. The city's government is urgently completing, and will in turn promulgate, specific decisions and documents of a legal nature to guide the implementation of Decision No 34. Furthermore, profoundly aware that the Fatherland Front is the solid basis of support for the governmental administration and in the new phase of the revolution. The Front must, and is fully capable of, participating in developing and managing the economy. With its inherent responsiveness and dynamism, the Vietnam Fatherland Front Committee of Ho Chi Minh City held a broad seminar attended by all categories of people, especially the small industry-handicrafts production circles, regarding Decision No 34, and thereby solicited the aspirations and opinions of the people and contributed specific opinions to the governmental administration regarding the implementation of that policy. On 4 March 1986 the Standing Committee of the Municipal Front Committee provided specific guidance to the Front committees of the districts and precincts, and the Industry-Commerce Liaison Committee on holding people's seminars. The seminars were divided into two steps. The Industrial-commercial Liaison Committee held seminars for its members and a number of well-known small industry-handicrafts producers in the city. The Front committees in the precincts and districts held seminars for the component organizations, the subprecinct and village Front committees, and the local small industry-handicrafts producers. Representatives of such governmental organs as the Cooperative Federation, the industrial, taxation, and banking bureaus, etc., participated. The Municipal Front Committee held a joint meeting with the Front committees of the precincts and districts to synthesize the opinions of the various circles and form them into recommendations to be sent to the Municipal People's Committee.

During those seminars, everyone agreed that Decision No 34 opened up many prospects for developing small industry-handicrafts production to serve consumption and exports, contribute to resolving the labor problem, and gradually stabilizing the people's lives. Many very specific recommendations were made. It is necessary to provide timely guidance of a timely nature to the sectors and trades in which the individual and family small industry-handicrafts and secondary family economy sectors are authorized to produce. With regard to the sectors and trades in which the individual and family components are still allowed to do business, it is necessary to clearly specify how much longer they will be allowed to do so that the producers will be protected legally. On that basis there must be plans to invest in production that are appropriate to the authorized time. There must be suitable policies regarding remissions from Vietnamese abroad and exemptions from customs taxes to exploit the sources of foreign exchange, equipment, and materials sent back from producers' relatives abroad. It is necessary to resolve difficulties regarding electricity, prices, taxes, raw materials, and the marketing of products in order to truly encourage production. There must be a flexible, dynamic management mechanism that ensures management by sector and locality, manages the prices and quality of products, protects the environment and ecology, and does not crate difficulties and trouble for producers with regard to administrative procedures. It is necessary to set up an organization, in which the Front participates, which is responsible for individual and family small industry-handicrafts and the secondary family economy to guide the production and marketing of products for each commercial category.

In addition to recommendations of a general nature, the seminars also expressed many opinions about specific matters, such as a recommendation that the municipal government encourage silk weaving, a traditional trade, because silk products have high export value. Funds should be set up by the city or by precincts, districts, or subprecinct credit cooperatives to assist the small industry-handicrafts sector, not merely the small industry-handicraft producers with economic relations with the state.

The seminars on Decision No 34 held in Ho Chi Minh City were truly a broad political activity campaign among the people which helped everyone understand more clearly the situation of the nation and the city, and to have more profound awareness of the spirit and contents of resolutions 6, 7, and 8 of the Party Central Committee, and presented their legitimate aspirations so that the governmental administration could have a reliable basis on which to supplement and perfect its policies and measures regarding the development of small industry and handicrafts.

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LIGHT INDUSTRY VIETNAM

BRIEFS

FROZEN SHRIMP FACTORY--Ha Nam Ninh has put the first frozen shrimp factory into operation. This will support the marine products export requirements of the province in 1986 and in the years ahead. This factory was built with the province's own capital. The factory can process and freeze 500 kg of shrimp and produce 10 tons of ice a day. About 50-60 tons of frozen shrimp can be stored for many days in the two cold-storage storeshouses, which have a capacity of 100 cubic meters. The factory's electrical and water systems ensure continuous production. [Text] [Hanoi QUAN DOI NHAN DAN in Vietnamese 6 May 86 p 1] 11943

CSO: 4209/572

OPENING OF NHA BE-DUYEN HAI ROAD REPORTED

Hanoi QUAN DOI NHAN DAN in Vietnamese 1 May 86 p 1

[Article by Tran Dinh Ba: "The 36-km Road Between Nha Be and Duyen Hai Has Been Opened"]

[Text] Scoring achievements on the 100th anniversary of the Labor International and the 11th anniversary of liberation of the city on 29 April, the Ho Chi Minh City People's Committee and the Duyen Hai District People's Committee organized a ribbon-cutting cermony to open the 36-km road between Nha Be and Duyen Hai.

Construction on the Nha Be-Duyen Hai road, which is an important project of Ho Chi Minh City, got underway in March 1984. During the planning and construction, the planners and construction workers encountered many difficulties. The road passes through dense forests and marshes and crosses hundreds of ditches and large rivers. To prepare the road foundation, which is 10-30 meters wide, a layer of mud 6-11 meters deep had to be removed. Dirt had to be brought in from as far away as 10-20 km.

The forces that participated in constructing this road included the transport cooperatives, wards, urban districts, Federation 6 (subordinate to the Ministry of Communications), Project Enterprise 32, Communications Project Enterprise 1 (subordinate to the Ministry of Communications), the Gia Dinh Unit (subordinate to the Ho Chi Minh City Military Command), and forces of the Ho Chi Minh City Public Security Service. In particular, among the forces participating in constructing this road was the Rung Sat Special Operations Unit.

After 2 years of carrying on construction urgently, excavating and emplacing tens of millions of cubic meters of earth and rock, building 6 permanent concrete bridges and 1 Ha Vo floating bridge 300 meters long, on 29 April 1986 the Nha Be-Duyen Hai road was officially opened. This road will help connect Duyen Hai, an old district that is regarded as the "outstanding labor" district of Ho Chi Minh City, to the city by road. This will facilitate economic, cultural and social development and help solidify national security.

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NEWSPAPERS DISCUSS PROBLEMS EMPLOYING YOUTH

THANH NIEN Reports

Hanoi THANH NIEN in Vietnamese Feb 86 pp 4-7

[Article by Le Van Nhan: "Some Opinions on Providing Employment and Using Young Workers at Present"]

[Text]

I

All-Out Efforts To Create Trades and Jobs for Youths During the Recent Period

In addition to the regular educational system made up of colleges, specialized middle schools, and vocational schools, there are 50 vocational guidance centers, set up in accordance with the slogan of the state and the people working together, in 20 provinces and municipalities all over the nation. Forty of those centers have regular workshops. There are 2,400 vocational instructors for 35,000 youths. In comparison to 1983, the number of such centers has increased 2.4 times. Ho Chi Minh City has issued a directive on popularizing trades among youths and the municipality of Hai Phong has issued a decision regarding vocational training for students after they graduate from general middle schools and general elementary schools if they do not have conditions for continuing their study. The other localities have different forms of vocational training: work-study, full-time vocational study, apprenticeship training, etc.

With the work-study form, every year Ho Chi Minh City has given vocational training to, and provided jobs for, 10,000 demobilized troops and Assault Youths and hundreds of thousands of general middle school students who could not continue on in the regular system. At the Le Thi Hong Gam vocational center in Precinct 11, 15,000 students at the highest level of the general school system (98 percent of the total number of students) have taken vocational training.

In Hai Phong, at the railroad car factory the Labor Service has organized work-study classes and has saved more than 4 million dong (old money) in vocational training expenses in comparison to the regular educational system. Furthermore, the students receive 200 dong per month for their production. Those classes at the ready-made export clothing, bicycle parts, automobile repair, and other factories, have helped the enterprise surpass its plan norm by 15 percent.

In general, vocational training in the above-mentioned forms has many goods points, have attracted many youths to study trades that are appropriate to the requirements of the localities and enterprises, and have economized greatly on training expenses (in the regular system the state must in vest 35,000 to 40,000 dong person, but in those forms it invests only about 2,000 to 2,500 dong per person).

Sending labor to the localities in past years has contributed positively to providing jobs for youths. Since 1980 Ho Chi Minh City and the town of Ninh Ho (Phu Khanh Province) have sent more than 700,000 people to develop nine state farms new economic zones, set up Assault Youth units, carried out capital construction with the slogan of the state and the people working together, and mobilized hundreds of millions of dong and millions of work days. The town of Ninh Hoa has reduced the number of people in nonagricultural occupations by 20 percent and reduced unemployment by 30 percent. Ho Chi Minh City has reduced the number of people in nonagricultural occupations and provided hundreds of thousands of workers with stable employment. Hanoi and Hai Phong have effectively organized the people to go to develop the Lam Dong, Route 14 (Ho Son), Gia Ninh (Thuy Nguyen). and Vinh Quang (Tien Lang) state farms.

During the past 5 years the handicrafts sector has made notable advances. Its work force has increased by 160 percent, its total output has increased 900 percent , and the number of cooperatives and production collectives has increased by 180 percent. Ho Chi Minh City has completed the reorganization of three important sectors: textiles, bicycles and parts, and glass. The cooperativization of small industry and handicrafts attained 67.1 percent. In each subprecinct there are 8 to 15 handicraft teams, each of which has 15 to 20 workers.

In Hanoi 18 percent of the workers are members of handicraft cooperatives, in Ho Chi Minh City the figure is 38.5 percent, and in Hai Phong the figure is 52.1 percent.

In sum, the results of providing employment during the 1981-1985 were that 45 percent entered state organs and enterprises, 35 percent entered handicrafts, 15 percent went to new economic zones, 2.5 percent were employed in the family economy, 1.5 percent entered services, and 30 percent have unstable employment.

II

Urgent Requirements and Great Capabilities

The resolution of the Fifth Party Congress stated that "Our most valuable capital is labor. The greatest potential that can be developed before the others is labor. The land (including forests and the seas) is capable of employing the largest number of workers. The trades have a great potential, are capable of being strongly developed, and can use many workers." "The system of collective mastership allows the combination of labor and land, the expansion of trades, and quickly create a new production force."

Along those lines, the resolution also stated, "To provide employment for social labor in the primary direction is to carry out an on-the-spot division of labor to participate in agricultural production, expand the sectors and trades, especially small industry and handicrafts, in the rural areas, cities, and municipalities, develop forestry and fishing, expand services in the cities, etc." The slogan for providing employment is "Positively achieving the slogan of the state and the people working together and the central and local echelons working together."

Recently, the youth proselytizing resolution of the Political Bureau added, "The sectors and echelons must have positive plans for providing employment for youths, especially those who have been trained and demobilized troops."

Every year 1.1 million people reach working age. Thus during the next 5 years, in addition to the workers who are unemployed at present, we must have plans for employing 6 million additional workers. Of those workers, 1.6 million will be in cities, especially in five large municipalities: Hanoi, Hai Phong, Quang Nam-Da Nang, Ho Chi Minh City, and Can Tho, including youths covered by the policy who must have jobs by all means and youths who must be forced to work.

Thus that are the capabilities for employing workers? Not including the requirements of national defense, one can list the following requirements:

In agriculture:

Our total agricultural areas is 11 million hectares, but we are using only 7 million. The remaining 4 million hectares of undeveloped land include 270,000 hectares in the northern mountain region, 1 million hectares in the Central Highlands, 420,000 hectares in the Mekong Delta, 330,000 hectares in eastern Nam Bo, 240,000 hectares in the former Zone 4, and 250,000 hectares in the former Zone 5. In the near future, in the areas that have been zoned 1.6 million to 2.2 million hectares included in the land reclamation plan may be cleared.

In industry:

The state's capital construction projects will continue to be constructed and will require a certain number of workers. Especially, the local projects require many workers.

In forestry:

It is necessary to plant nearly 12 million hectares of forest land and nearly 4 million hectares of industrial crops, including 100,000 hectares in the Bac Bo midlands, 120,000 hectares in the Bac Bo lowlands, 1.2 million hectares in the former Zone 4, 1.75 million in the former Zone 5, 220,000 hectares in the Nam Bo lowlands, etc.

Handicrafts and services:

Handicrafts play a very important role in the national economy. Their output accounts for 60 to 70 percent of the total value of local industrial production, 20 to 30 percent of the total value of exports, and 50 to 60 percent of the value of social consumer goods. We are pursuing the policy of developing them along the lines of "Modern small industry and high-quality handicrafts."

We are developing state and cooperative services in all three aspects--distribution, exchange, and consumption--and services of all kinds: daily life, contracting out, repairs, and commercial services. At present we have 500,000 service workers, including 80,000 in the state sector, 175,000 in the collective sector, and 242,000 in the individual sector, mostly in catering services. The state accounts for 5 to 10 percent. In the socialist countries that ratio is as follows: Poland, 27.3 percent; the German Democratic Republic, 36.8 percent; Bulgaria, 30 percent; the Soviet Union, 27.9 percent, and Czechoslovakia, 34.8 percent.

The family economy:

Developing the family economy is a requirement of the present economic-social situation. In Hai Phong, which is concerned with encouraging its development, there are 30,000 households participating in the family economy. In Le Chan Ward, 50.23 percent of the households participate.

Because the nation's economic conditions are still difficult, it is even more urgent that the family economy be developed. Therefore, in future years, thanks to the state's correct policy, a rather large number of workers will be employed in that development.

III

Recommendations on Organizing the Employment and Use of Youth Workers

With regard to the state organs:

They must provide employment for youths on the basis of state and local plan missions and norms, and regard that as a goal of the mission of stabilizing the people's living conditions, which was set forth by the recent VCP Central Committee resolutions. At the same time, it is a very important matter in implementing the Political Bureau resolution on youth proselytizing in the present phase.

The state must have a correct policy to use labor locally and to send youths to the new economic zones, and encourage collectives and individuals to develop handicrafts, services, and the family economy.

In the immediate future it is necessary to do a good job of applying the following measures: firmly grasping the sources of labor, creating trades and popularizing trades that are appropriate to the bases and localities in the economic zones, and organizing the introduction of professions and jobs.

Priority must be given to providing jobs for demobilized troops and Assault Youth, and for youths who have completed vocational training and have been trained in state schools.

With regard to the new economic zones, it is essential that there be a correct policy and the minimal conditions for ensuring the immediate and long-range living conditions of youths. According to the experience of past years, youths should not be sent before there are appropriate conditions and policies.

It is necessary to expand the forms of the state and the people working together and the state and the mass organizations working together, such as the forms of organizing Assault Youths, youth state farms and enterprises, state grain purchasing and selling agencies, state export purchasing, etc., which ensure the three benefits.

It is necessary to expand international labor cooperation and the export of workers to socialist and nationalist countries. That is a pressing requirement of our country and the friendly countries, and is an inevitable tendency of economic-social relations among countries, especially developing countries such as ours.

The state must soon promulgate an obligation law so that youths can both do a good job of fulfilling their military obligations and their labor obligations, which must be implemented fairly among youths and in society.

2. With Regard to the Youth Union:

In past years, in a number of provinces and municipalities the Youth union has had good activities in this sphere. It is possible to enumerate the following forms:

Organizing Assault Youth forces to do economic work by implementing the policy of distributing labor and promoting production in places which are experiencing difficulties, with regard to the weak links and urgent tasks, etc. The Assault Youth organizations must obey the economic accounting regulations in order to maintain and develop their forces. That is a basic special characteristic of Assault Youth in the present revolutionary phase.

Positively implementing the policy of reorganizing production, setting up youth enterprises, youth construction projects, and youth factories, participating in drafting production plans at the basic level, and directly participating in the management of enterprises, construction sites, etc. It is necessary to rearrange and expand production, employ many workers, and provide jobs for youths, as many enterprises have done. The Youth Union may organize the exploitation and selling of raw materials, set up new youth enterprises, and participate in organizing vocational training for youths.

Mobilizing and organizing youths to participate in small industry-handicrafts and service cooperatives, setting up youth handicraft units, teams, and cooperatives, and exploiting capabilities to develop traditional local trades (including the capabilities of retired skilled workers, workers in traditional local trades, etc., to make contributions). It is necessary to do a good job of implementing the slogan of the state and the people working together and the state organs, the mass organizations, and the people working together in developing handicrafts and services in order to employ large numbers of youths.

Youths must be encouraged to develop the family economy, and contribute to producing grain, food products, industrial crops, and export goods. It is necessary to carry out propaganda and education to create public opinion to support youths participating in developing the family economy, and the Youth Union organization must guide youths in implementing the local economic development policies.

The Youth Union must participate in and organize international labor units. International labor cooperation, a major policy of our Party and state, is intended to fulfill the present requirement of our country and those of our friends. The Youths Union may participate in three forms: it may take part in selecting and managing, as it does now; it can take responsibility for organizing and managing such youth labor units, such as the youth enterprises and youth construction sites in our country; or, along with the youth unions of friendly countries, especially the Lenin Communist Youth League in the Soviet Union, it can organize international labor units to construct projects of the Council for Mutual Economic Assistance and the combined cooperation programs of youth unions of socialist countries.

In order to perfect and expand the above-mentioned types of Youth Union labor organization, in its guidance the Youth Union must participate, along with the state organs, in drafting plans and paying attention to the tasks for which it is necessary to mobilize the participation of large numbers of youths in each district, province, and municipality, and coordinate closely with the small industry-handicrafts sector, the labor sector, and the relevant sectors in drafting youth labor regulations and policies and organize the good implementation of regulations and policies.

NHAN DAN Reports

Hanoi NHAN DAN in Vietnamese 25 Apr 86 p 3

[Article by The Lan: "Problems Posed in Youths' Labor Obligation"]

[Text] Under socialism, labor is both voluntary and compulsory. According to Article 58 of our country's constitution, labor is a right, an obligation, and an honor of all citizens.

Our country has a rather large labor force, which is a precious resource. We must use that potential well in order to serve both strategic missions of our country's revolution: building socialism and defending the socialist homeland.

In recent years 25 provinces and municipalities have dynamically and creatively found employment for youths, such as road building, wasteland clearing, reclaiming land from the sea, and building water conservancy projects and projects to serve combat, thus contributing to resolving difficulties in the localities.

In places which do a good job of organizing and managing labor, all youths work with high productivity and surpass the norms. The units collect the full amounts and accumulate surpluses for the state. The material and cultural lives of youths are ensured (for example, Ho Chi Minh City, Hanoi, Quang Ninh, Long An, etc.). In the course of labor, youths are steeled and mature, and their consciousness of organization and discipline is clearly increased. Many youths who were backward have become skilled workers and have been admitted into the Youth Union, and many outstanding Youth Union members have been admitted into the ranks of the party. Also by means of that practical school, many provinces have trained good local cadres who have good moral quality and ability. Calling up youths to fulfill their labor obligations has gradually eliminated injustice in youths' contributions to the Fatherland, and is supported by the people and youths everywhere.

However, there are many points which are not uniform among the various localities with regard to the mobilization of the youth forces. With regard to categories, some places only mobilize able-bodied young men 18 to 27 years old, but who have not yet been able to fulfill their military obligations. Some places mobilize young men up 35 years of age and young women from 18 to 22 years of age, or even older. The organizational terms and forms also differ from place to place. In Ho Chi Minh City and Hanoi they are called "volunteer youths," Quang Nam organizes "assault youths," Long An calls them "youths fulfilling labor obligations," etc. Some localities organize volunteer youth forces and then also mobilize those who did not volunteer. Furthermore, organization, management, and use differ from place to place. Some places use the term "general unit," under which there are units, enterprises, state farms, state forests, etc. Such units have independent accounting and have the nature of a judicial person. Other places organize battalion and company units and manage activities in the military style. In order to manage and guide the activities of the youth forces fulfilling their labor obligations, practically all provinces and municipalities have set up organizations of a staff nature directly under the provincial people's committee. There are also provinces which assign management and guidance responsibility to the provincial Youth Union organization. In many places, in addition to the youth forces managed and used by the province, the districts also mobilize labor obligation youths to develop the district economy. Some youth units work independently, but there are also localities which use such youths alongside workers at the state forests, state farms, and construction sites (such as Quang Ninh, Hoang Lien son, and Tien Giang). Nearly all of the youths in the localities eat and live together, but in some places youths who are fulfilling their labor obligations continue to live and eat at home. There are also many different regulations in the localities regarding youths who are fulfilling their labor obligations. Mobilization is oriented heavily toward using administrative measures, but little attention is paid to propaganda and proselytizing. Many places do not make prepare material conditions for youths who are mobilized, so they cannot avoid difficulties and complications. There are also places which use such forces to serve the family economy and have lax management, which wastes labor and creates many negative phenomena. There are also instances of spending money to hire other youths to replace people who have to fulfill labor obligation. The time has come when the organization and mobilization of youth forces to construct economic, cultural-social, and national defense projects and the step-by-step rational resolution of the mobilization of youths to fulfill their military obligations in regular service and the mobilization of youths whose turn to fulfill their military obligations has not yet come should be codified into law, in the spirit of both encouraging and forcing able-bodied people to work. At the same time, in the school of actual practice it is necessary to train and steel our country's young generation so that they can be capable of fulfilling the missions of the socialist revolution.

There have been posed three problems which must be resolved in a unified manner: which categories must fulfill labor obligations, how long the labor obligation will be, and what the regulations and policies regarding them will be.

On the basis of studying the actual experiences of the above-mentioned localities one can begin to see that it is possible to stipulate that the category to fulfill labor obligations are able-bodied young men between 18 and 27, all of whom, if they have not yet fulfilled their military obligations on active duty, must fulfill their obligations of working to contribute to building and defending the Fatherland. With regard to able-bodied young women between 18 and 22 years of age, if they voluntarily participate in obligatory labor the state must encourage them and provide suitable work for them. Another social concern which must receive attention is creating conditions for young men and women to start families and remain to develop the new economic zones. There must be specific, rational plans for mobilizing youths to fulfill their labor obligations, in order not to waste labor. In that spirit, there should be mobilized only well-bodied youths who do not yet have stable employment or who are underemployed. Therefore, it is necessary to stipulate specifically which youths will be exempted from obligatory labor or granted delays, for example, state workers and civil servants; cadres and personnel of the party and mass organization organs; military personnel who have fulfilled their military obligations, students, etc. It is possible to study a policy such as the following: during the time when they are fulfilling their military obligations such youths may receive military training in accordance with an appropriate program and, after they have fulfilled their military obligations they will not be in the category to be called up in peacetime, but will be authorized by the competent military organ to change over to fulfilling their military obligations in a reserve status, in accordance with stipulations of the Ministry of National Defense. If war should break out, some or all youth units may be mobilized to fulfill missions of combat support or combat, or some or all obligatory labor youth units may be brought into the army.

In order to ensure fairness between people who go to fulfill their active service military obligation and those who go to fulfill their labor obligation. Furthermore, the period of youths' obligatory labor should be set at 3 years. Youths may be mobilized to perform obligatory labor for continuous 3-year terms or mobilized for many different periods which add up to 3 years. That matter is dependent on the actual situation of each locality in each specific period. Youths perform obligatory labor to contribute to building and defending the Fatherland and must do many different kinds of work, not only capital construction projects but also production work in industry, agriculture, forestry, water conservancy, transportation, the construction of national defense projects, land clearing and construction in order to send people to develop the new economic zones. Along those lines, depending on its labor needs the state may mobilize labor with different trades, different health conditions, and different strong points. The sectors and units managing youths fulfilling labor obligations are responsible for arranging for them study political and cultural matters, and to study appropriate trades in order to enable youths to have trades so that they can participate in production labor after they fulfill their labor obligations, according to the requirements of the state and society.

But the mobilization of youths to fulfill labor obligations must also be based on economic accounting in order to ensure that the value of their production is greater than the amount spent on them, and in order to accumulate funds for the state. The problem that is posed here is to organize and manage labor and to resolve the regulations and policies regarding labor. With regard to youths, in addition to their morale it is necessary to do a better job of organizing their material living conditions in order to create good conditions for them to work and to develop physically. On the basis of that method of posing the problem it is possible to stipulate a system of preferential treatment for youths fulfilling labor obligations: payment for labor based on the results of their labor and calculated on the basis of unit price norms stipulated by the state. With regard to labor management, it is necessary to implement contracting norms and regulations. Workers and units surpassing the norms will be appropriately rewarded. youths who have completed their labor obligations with outstanding accomplishments, or who volunteer to remain to work permanently in the new economic zones will, if fully qualified, be given priority with regard to enrollment in schools or to employment by the state apparatus. The obligatory labor time is calculated on the bases of continuous after they return to their home areas youths are also given priority in employment.

Another problem is how to mobilize youths to achieve good results in obligatory labor without affecting the drafting of youths. Perhaps we should make the military draft councils at all levels responsible for helping the people's council at the same level not only in calling up youths to fulfill their military obligations on active duty but also in calling up youths to fulfill their labor obligations, because the military draft councils have a tightly organized system extending from the central level down to the local level, and have experience in grasping and categorizing youths of military obligation and labor obligations age. Furthermore, in mobilizing youths it is first of all necessary to ensure full numbers and high quality. The remaining youths who do not yet have stable employment may only be mobilized to perform obligatory labor.

Organizing the mobilization of youths to fulfill labor obligations is a responsibility of all relevant governmental echelons. But the Ho Chi Minh Communist Youth Union has a responsibility in propagandizing and educating youths to strictly carry out obligatory labor mobilization orders. Along with the sectors and the echelons, it must mobilize and manage those youth forces by providing cadres to manage and oversee the units in using youths fulfilling labor obligation and in implementing the policies and regulations of the state, in order to ensure conditions for youths to work with real economic effectiveness and create conditions for them to bring into play their collective mastership right. At the same time, the Youth Union must improve the quality of its activities among youths and teach them so that they can truly feel that such service is their school of life, guide the socialist emulation movements among youths, be concerned with improving their material and cultural lives, and improve their trade skills and steel them so that they can become new socialist people.

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Southeast Asia Report

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VIENTIANE INDUSTRY CHIEF VIEWS WEAKNESSES, SRV TIES

Vientiane VIENTIANE MAI in Lao 3 Apr 86 p 2

[Article: "Views of comrade Phimpha Thapkhamheung, Chief of the Industry, Handicrafts, and Forestry Section, Given to the First Congress of the Vientiane Capital Party Committee"; date and place not specified]

[Excerpts] With its determination to succeed in its own duties over the past 10 years, the industry, handicrafts, and forestry section in Vientiane Capital has worked emphatically and has made progress step by step. Every industrial section that could be set up on its own and that was in accord with domestic and export demand was set up and expanded first. For those industrial sections which could not be set up on their own attention was called to international cooperation, for example, cooperation between the twin capitals of Hanoi Capital and Ho Chi Minh City, which signed mutual trade and economic agreements. Industry and forestry work construction and expansion were gradually carried out from small to large by focusing on domestic materials along with modern machinery and the use of improved handicraft labor. As for building and expanding state industry, first of all we must pay attention to the key sections, expand the production base for the coop units, and also employ the party line to build small industrial production bases in order to increase production for society steadily. We have tried to bring old factories into operation and have also constructed many new ones. There are now over 20 state factories that operate normally with nearly 2,000 cadres and workers. The value of industrial production in 1985 was a factor of 143 greater than that for 1976, and 2.5 times greater than that for 1985 [as published]. In 1985 our industry, handicrafts and forestry section carried out its budgetary obligation, which amounted to almost 50 million kip.

Besides serving the standard of living of our people in Vientiane Capital, the industry, handicrafts, and forestry section also serves other localities. In 1985 construction was completed for a paper factory, a plastics factory, an animal hide factory, a toothpaste factory, and a plant for motorcycles and bicycle pedals.

Besides the achievements mentioned, we still have several weaknesses:

- a normal operating basis has not yet been established for some factories;

- the lumber and manufacturing industries are two possible sections which have not yet been given full attention;

- transformation of private factories is not yet effective. Private handicraft workers have not yet really tried to join socialist collective living.

Based on experience from past years, our industry, handicrafts, and forestry section will try to accomplish the following in the future:

- work in cooperation with the central industrial section, and try its best to bring much more electricity into production;

- expand the lumber industry with determination in order to serve Vientiane Capital and exports;

- pay attention to expanding the food supply industry, for example, rice mills, sweets production, salt, fermented fish, etc.;

- try to produce construction equipment and expand other industrial enterprises which might be able to use raw materials within the country;

- pay close attention to the expansion of handicrafts such as textiles, basketry, and other handicrafts for domestic use and for export;

- increase cooperation with Hanoi Capital, Ho Chi Minh City, Phnom Penh Capital, and other fraternal socialist capitals to make for greater efficiency so it can become a unified force in constructing and expanding our industrial base on the basis of mutual benefits. We believe that under the brilliance of this congress and the great determination of the cadres, workers, and working people in our industry, handicrafts, and forestry section, plus close cooperation with Hanoi Capital, Ho Chi Minh City, Phnom Penh, and other capitals of fraternal socialist countries, our industry, handicrafts, and forestry section in Vientiane Capital will undergo greater expansion.

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'TALK' BLAMES KHUKRIT PARTY FOR THAI POLICIES

Vientiane PASASON in Lao 18 Apr 86 p 3

["Talk" column: "The Fate of the Social Action Party, Which Has Committed Many Crimes"]

[Text] An issue that is now being raised along with the construction of U.S. secondary military stockpile in Thailand and that is drawing extensive coverage and criticism by nearly every Thai newspaper and magazine is the fate of the Social Action Party. This is an issue that the Thai masses, for example, Thai students and intellectuals, are paying very close attention to nowadays.

After the fourth top-level administrative reshuffle, the Social Action Party led by Kukrit Pramot celebrated its power and control. However, he was not lucky, and because of his unlimited greed, his taking domestic power only for himself, and his adherence to the policies of other countries too much to the extent that he gave the beloved and cherished land of the Thai people to the international reactionaries as a hiding place for the routed genocidal criminals of the Pol Pot clique so as to dismantle and stop the construction of a new life for the Cambodian people, he lost his power. It would have been very difficult indeed for them to regain power, and the leader of the party suddenly and quietly resigned. Many Thai newspapers told us that at a recent party meeting there was talk of restoring the party to power. In reality this caused the conflict to increase further, for example, between the Social Action Party and other groups which are now in power. The groups and parties in Thailand must be well aware of the clever tricks of the Social Action Party, and in particular the Thai people and farmers knew them so well that they threw their produce into the middle of the road in the center of Bangkok. This was all because of the policies of the Social Action Party. Now, even though some members of the Social Action Party are still in power, their future is not bright. One of these days they will be punished for what they have done. Therefore, no matter how much they attempt to improve the Social Action Party, they are only wasting their energy. Now matter how clever are the tricks of the international reactionaries and the ultrarightist reactionaries in the Thai power clique, they will absolutely not be able to keep the Thai people from hearing and seeing. There is no doubt that the fate of the criminals who committed numerous crimes against the Thai people will be in darkness in the near future, and then who will take over Khukrit Pramot's song, "The Silent Sword"?

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CSO: 4206/98

'TALK': U.S. STOCKPILE IN THAILAND 'THREAT TO STABILITY'

Vientiane PASASON in Lao 19 Apr 86 p 3

["Talk" column: "The Fourth U.S. Military Stockpile"]

[Excerpts] Thailand today appears as if it were independent and had territorial integrity, but the fact is that the Thai ultrarightist reactionaries have dragged Thailand completely into the orbit of the imperialist American arms race. U.S. military aid to Thailand has steadily increased, for example, it was $15 million in 1985 and $145 million in 1986, and in the next 2 months a team of U.S. military experts will come to discuss details concerning the amounts and types of and ways to cooperate in using the weapons. Important heavy weapons can be put in secondary warehouses in Thailand. In general, Thailand has missile-equipped tanks, torpedoes, and F20 and F16 warplanes. It is possible that the warplanes will deploy nuclear warheads but the details have not yet been decided between the United States and Thailand.

Because U.S. law does not allow military stockpiles to be set up where there are no military bases, such as in Thailand, the Washington power clique must put pressure on the U.S. Congress to approve it. However, there are now three countries with military bases--the Federal Republic of Germany, Israel, and South Korea--and Thailand could be the fourth. In order to be in accord with U.S. law a military base must be re-established in Thailand along with the construction of the military stockpile. Therefore, the agreement between Thailand and the United States concerning the construction of a military stockpile is a form of collaboration whose aim is to accelerate the arms race in order to create tension in the region and to allow U.S. soldiers to show their faces once more in Southeast Asia. This is a threat to stability in Southeast Asia and to the world that everyone must be very aware of, because as long as the ultrarightist reactionaries in the Thai power clique continue to fall deeper into the orbit of the U.S. military, the Thai people and Thailand will spill blood and shed tears under the danger of war.

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SAISOMPHON PHOMVIHAN NOTES IMPORTANCE OF FAMILY ECONOMY

Vientiane PASASON in Lao 28, 29, 31 Mar, 1, 2, 3 Apr 86

[Political feature by Saisomphon Phomvihan: "The Workers' Secondary Family Economy Is an Important Part of the Socialist Economy"]

[28 Mar 86 p 3]

[Excerpt] The objective stability of the secondary family economy today is indicated by the expansion of the forces of production and of relations in socialist production, and this level of readiness in its economic aspects marks the beginning of the communist style of production. Such stability, first of all, shows urban and rural social and economic differences, and shows that the levels of production and labor and the material and technical bases for agriculture are still low in comparison with industry. We can see here that the amount of agricultural production has not kept pace to supply adequately the increasing demand of the public. Therefore, production for an equal amount of consumption in the secondary family economy is necessary.

Agricultural production will not harm expansion of socialist agriculture. What is more, it has a significant role in guaranteeing the workers' material and spiritual needs and in guaranteeing [subsidiary] production. The family economy is considered an important part of the socialist economy for socialist labor in the rural areas of socialist countries. Thus, the leading organizations of the party and government in our fraternal socialist nations have always supported the secondary family economy of the workers both materially and spiritually, for example, in terms of work tools, domestic-animal food supplies, facilitating in terms of credit, etc. The socialist nations are now aware that agricultural production by the secondary family economy in Bulgaria and the USSR is approximately 25-26 percent, 10-13 percent in Czechoslovakia and the GDR, 32-33 percent in Romania, and 75-76 percent in Yugoslavia and Poland (including the secondary family economy of private farmers); in Mongolia the secondary family economy produces about 42-43 percent of the meat and fresh milk.

[29 May 86 p 3]

[Excerpts] In Laos the secondary family economy developed at the same time as the establishment of state agricultural settlements, enterprises, agriculture, industry, and agricultural coops. The secondary family economy is considered an important part of the socialist economy as shown in various important government documents. However, the studies have not yet been completed. In order to make an assessment of the economic structure of the secondary family economy that is suited to today's reality, we must understand deeply its roles and relations with the social economy of Laos. Families have long been considered primary production units because most of the income for society comes from the farmers' family economy. Therefore, the farmers' family economy has become the foundation of the Laotian economy. This is a factor in doing everything possible to change the farmers' economy and to bring it into agreement with the need to advance toward socialistm. After seizing power, our party mobilized all the people to promote their own secondary family economy and to improve the standard of living of the working people. These are important characteristics which are related to the rights and interests of the working people. The growth of production is the most important source for fulfilling the increasing demands not only for personal use, production, and the improvement of working conditions but also for expanding the forces of production in order to facilitate the acceleration and growth of production, save time, and promote work creativity.

The secondary family economy for working people is being expanded throughout Laos. This is shown by the fact that most of the families, whether in rural or urban areas, have land for their own gardens where they grow fruit trees, garlic, onions, cabbage, varieties of lettuce, hot peppers, taro, etc. They also raise animals such as cattle, buffalo, pigs, chickens, ducks, fish, etc. The cultivation areas for the secondary family economy in each locality vary in size, from half a hectare for the smallest to approximately 3 hectares for the largest. The income from the secondary family economy for coop members varies. In Vientiane Capital the average income from the secondary family economy is at least 30,000 kip per year; in Phon Thong District, Champassak Province, it is approximately 7,000 to 8,000 kip per year. In the Ban Ban agricultural coop, Kham District, Xieng Khouang Province, in addition to the agricultural coops members' engaging in the collective style of production, they also raise animals, grow vegetables, do textile and basket weaving, and obtain approximately 5,000 to 6,000 kip per year. In addition, some families also grow rice and earn a total of about 30-40 percent per year. The income earned from the secondary family economy varies for many reasons. In my opinion, I think that the income of those who are close to markets for distributing goods, cities, and communications routes, and who live where conditions promote production in the secondary family economy, will be greater. On the other hand, in places which are far from the ones mentioned, even though there is increasing demand in this respect, the income will be low. The demand for exchanging income for goods and products is also increasing, for example, in the case of zinc, cloth, tools for work which is indispensible for constructing the secondary family economy, etc. Generally speaking, the features of the products of the secondary family economy have not been high.

[31 Mar 86 p 3]

[Excerpts] Cooperation in production techniques in collective agricultural coops takes many forms, for example, the renting of land, draft animals, and other tools for cultivation which are owned by the coop members, where the coop committee decides the rental cost. This is the relation between the coop collective economy and the families of coop members, which aims to strengthen production in the coops and to set up a treasury for expanding the extensive [secondary] production. These are the important factors in carrying out the three benefits simultaneously.

The relationship concerning the effects of the social economy on the expansion of the secondary family economy is seen, for example, in government assistance, enterprises, factories, agricultural settlements, units from local levels to the center, and the material and spiritual effects of agricultural coops on secondary family economy of workers, cadres, government employees, and agricultural coop members, such as in the Latsen Agricultural Settlement. Each worker's family has less than 3 hectares allocated by the settlement where they can engage in cultivation and animal husbandry. Each family has 3 head of cattle and raises about 15-20 chickens. The settlement has been paying special attention to the secondary family economy, for example, by aiding families with concentrated animal feed and by helping to clear the area for cultivation. Also, the settlement helps in organizing and purchasing products from the secondary family economy, such as meat, of which each family has to sell 20 kg per year to the settlement and which has become an obligation of the secondary family economy toward the settlement. After the obligation has been taken care of, each family can also sell their surplus products on the market.

The Phou-Oi Coop in Pak Song District, Champassak Province, primarily engages in animal husbandry and coffee growing. Each family of the coop members has about 0.5 hectares on the average for gardening, with some places growing cardamom and some growing coffee beans. Also, each family has three head of cattle along with ducks, chickens, etc. The income from the secondary family economy in 1985 was about 50,000 kip per family. The coop also helps the families, for example, it gives them loans to build a house and also purchases cardamom at additional cost to the secondary family economy. Thus, the Phou-Oi Coop has become an outstanding coop in Champassak Province because the standard of living of the coop members has gradually improved. This is the result of the assistance of the collective economy and of the agricultural coops toward the secondary family economy which have always tried to do everything possible to increase the income from the collective economy, the coop, and the family economy by making it convenient to expand the secondary family economy in terms of credits, loans, organizing and purchasing products at added cost, etc.

[1 Apr 86 p 3]

[Excerpt] Some of the lessons mentioned above can be seen in some coops, and we should do whatever we can to make these lessons better known everywhere.

The secondary family economy of cadres and government employees has been given attention especially in Vientiane Capital and in offices and organizations around the center. In 1983 the State Bank loaned 3.9 million kip to 522 families of cadres and government employees for the purpose of constructing the secondary family economy. In 1984 the number of families who borrowed from the bank increased to 3,891, which pushed the loans up to 10.9 million kip. This means that in 1984 the number of families who borrowed from the bank for the secondary family economy increased by a factor of 7.4 and the loans increased by a factor of 7.9 as compared with the figures for 1983. The purpose of the loans was primarily for animal husbandry, cultivation, and other handicrafts. According to the general statistical assessment of the secondary family economy base, for cadres around the center who had borrowed money for the purpose of production, in the first 6 months of 1984 there were materials, domestic animals, and implements of cultivation to ensure the following credits: 2,699 pigs, 141 cattle, 19 buffalos, and 6,802 chickens. The data above confirmed the attention given by the party to the secondary family economy of cadres and government employees, particularly in making it convenient for the cadres and government employees to acquire indispensible capital to produce food for their families and society, train them to love work, spend their precious free time with their families and in producing for the public, and gain experience, knowledge, and creativity in actual work. It is also a way to improve and balance the ratio of capital and labor in society where cadres' families with low and dependent income are also able to produce for family income and produce more products for society, which helps to lessen the discrepancy in income among people in society and also to promote production in the secondary family economy, to build up a knowledge of the production business in turning over the loans, to be responsible for government property, to understand the correct use of capital, and to cherish the outcome of their own labor as shown in the steady increase in the cadres' savings deposits. Therefore, the standard of living of cadres and government employees around the center and especially in Vientiane Capital has been improving step by step.

We should also examine some of the problems that have not yet been addressed in the demand to expand the secondary family economy. We have not yet looked into the ability and labor available to help the secondary family economy. This shows that we have not yet been able to expand credit, material supply, trade, etc., extensively and thoroughly not only for the secondary family economy for cadres and government employees but also for the secondary family economy of the families of agricultural coop members, private farmers, and other social classes. This is to increase production for society, to strengthen the national economy, to train all social classes in intellectual and creative work, and also to ensure the standard of living of the working people. Cooperation among the basic work sections, for example, agricultural sections, material supply, trade, banking, finance sections, etc., will enable these work sections to support the secondary family economy. Regarding this problem, we can see that these sections have not yet done all that they should. We can see that secondary family economy production has not yet been encouraged. We have not yet been able to attract the attention of agricultural coop members and private farmers to the secondary family economy. Technical knowledge regarding cultivation and animal husbandry has not yet been extensively disseminated to those who engage in the secondary family economy. Also, the organizations which purchase the products from the secondary family economy have not yet guaranteed their support for production, as indicated by a failure to set absolutely fixed contract prices. Both buyers and sellers sometimes are irresponsible and do not carry out their obligations carefully, resulting in unsystematic and irregular relations on both sides. For these reasons, the cadres, workers, and agricultural coop members who engage in the secondary family economy must try to find materials themselves, must produce with their own labor and knowledge, and must look for distribution markets themselves. The banks have fallen into a condition of imbalance between lending cash out in order to supply capital to the secondary family economy and repayment of loans. Also, the savings deposits of cadres, government employees, workers, and agricultural coop members have not yet been widely established, and other sectors, for example, private farmers and merchants, have not yet been attracted to take an active part in depositing savings.

[2 Apr 86 p 3]

[Excerpts] We should also understand that although the economic interests of all work sections in main production units within a certain area do not agree with each other, these economic interests cannot be separated from each other because they are closely related to the general interest of the masses. The central echelons gather the benefits and also become the focal point for the differences between the economic interests of different work sections which are the main production units (provinces, districts, and villages). Therefore, the tool for carrying out and obtaining economic benefits in expanding the secondary family economy is complete coordination between all work sections. This is an important principle, especially for guiding the economy, which should include not only government and collective coops but also the secondary family economy.

It is also necessary to aid the private farmers' family economy because the family economy of private farmers has always been important in creating sources of income for society and covers most of the agricultural products from the family economy. If we use basic theory to explain this, we could say that today Laos is becoming stable because five opposing economic sectors are becoming more closely integrated as a whole. Each day they interact among themselves and become parts of each other. Stability in one economic sector becomes a firmer foundation for the stability of another. Therefore, these economic sectors must be employed at the same time. This is an important principle in the period of transformation to socialism. If we help the family economy of private farmers with determination, it will participate in strengthening the national economy and will also attract them to socialist production.

Keeping accounts and calculating the entire production of the social economy and also the secondary family economy have meaning in terms of the principle for guiding and constructing socialism. Economic guidance will be effective, depending on thorough accounting and calculating. Otherwise, it will result in the idea that all economic movements are far from reality and do not agree with the demands and that inspection is less effective. Thus, we should pay attention to accounting and calculating in all government economic matters, collective agricultural coops, the private economy, and the secondary family economy in order to help in assessing them suitable for reality, so we can then correctly carry out the transformation and construction.

[3 Apr 86 p 3]

[Excerpt] In order to improve trading, our party has set a clear direction "by increasing economic cooperation between the government and the farmers and producers by signing bilateral economic contracts and trading with the people" (Third Session of the Ninth Plenium of the LPDR Party Central Committee, Vientiane, 1985 p 58). In trading we should pay attention to the signing of bilateral economic contracts. However, the signing is not just a formality. It is important to make the signed obligations become reality. In order to make them work, each side must be responsible for the other and must share a common interest in buying and selling. Particularly in exchanging goods we must pay attention to the value of the goods. This means that the goods to be brought in for exchange or sale must be agreed on and suitable for the needs of the consumers. We should avoid the situation where there are goods just for the sake of having goods, whereby none of them can be sold, and also the opposite case where there are needed goods, but where there is a shortage for consumers. Regarding this problem, all agricultural settlements, agricultural coops, enterprises, and agricultural factories should increase their economic cooperation with determination and sign bilateral contracts with the secondary family economy of workers' families, government employees, cadres' families, agricultural coop members' families, and private farmers. This is to increase their cash income, strengthen the secondary family economy, and strengthen relations between the social economy and the secondary family economy. Only by achieving this will the secondary family economy become a truly important part of the socialist economy and be able to do without all forms of dictatorship in the secondary family economy.

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LAOS

SRV-AIDED PAPER MILL CAPACITY, OPERATIONS NOTED

Vientiane PASASON in Lao 15 Apr 86 p 2

[Article by Kongmani: "The Vientiane-Hanoi Friendship Paper Mill"]

[Excerpts] Along the Vientiane-Tha Deua Road, around Km 10, new construction is underway for a paper mill which is a project of the growing friendship between Laos and Vietnam and between Vientiane Capital and Hanoi Capital. The construction of this 10,000-square meter factory began on 26 February 1985 and is now basically completed. Installation of the machinery for construction has been completed, and since 26 February 1986 the mill has been able to conduct tests using domestic paper remnants as raw materials for the factory.

The joint cooperation paper mill between the two capitals is one of several construction projects which Vientiane Capital is now in the process of constructing.

After the actual production experiments were completed in early April, with assistance based on the actual experience of the Vietnamese experts who worked shounder to shoulder with our Lao workers, production became effective step by step as follows: They were able to produce a total of over 1 ton of paper for sanitary use and for duplicating machines, as well as thin paper for the Vientiane Capital party congress. There are now two machines for producing thin and thick paper which, based on their capacity and if they were to produce all three types of paper, will be able to produce 150 tons per year. The machine for thick paper can produce 300 tons of paper per year. This paper mill is the first one in Vientiane Capital and it has been play an important part in constructing the foundation of the national economy, reducing paper purchases from abroad, and steadily increasing the consumption of domestic products.

9884/12951
CSO: 4206/98

SAVANNAKHET DISTRICT CITES GOAL OF TOTAL COLLECTIVIZATION

Vientiane PASASON in Lao 18 Apr 86 p 2

[Article by Boungnong Saipangna: "The Period of the First 5-year Plan in Atsaphanthong District"]

[Excerpts] Atsaphanthong is a medium district in Savannakhet Province of approximately 4,000 square km. It has 15 cantons, 196 villages, 1,199 families, and a population of 69,754; the total agricultural production area is 12,334.08 hectares which is primarily for growing rice. In 1985 Atsapahngtong District was able to produce a total of 32,068 tons of rice, which amounts 2.6 tons per hectare and 426 kg per capita on the average.

In terms of agricultural cooperativization, among the farmers it is considered a center of socialist collective production. Five years prior to this there were only 12 agricultural coop units throughout Astaphangthong District. However, in 1985, 86 units were added. There is now a total of 98 agricultural coop units with 6,255 families, 43,478 members, and 8.182 hectares for production. This means that the coop villages make up 50 percent of the villages district-wide. The number of coop families is 56.49 percent, members of agricultural coops constitute 69.18 percent of the population, and the cultivated area covers 69.18 percent of the total ricefields throughout the district. In the three district cantons of Dong Keum, Kout Hin, and Nonsavang, they were able to completely eliminate private farmers. This figure was 93.50 percent for Phakkhagna Canton, and in two other cantons, Dong Hen and Chelamong, the figure was 70 percent.

9884/12951
CSO: 4206/98

FACTORY MANAGEMENT PROBLEMS, POOR MORALE, OUTPUT NOTED

Vientiane PASASON in Lao 18 Apr 86 pp 2, 3

[Article by Lakhan Vansai: "A New Life for the Electric Wire and Plastic Bag Factory"]

[Excerpt] The Electric Wire and Plastic Bag Factory produces electric wire and plastic bags for the public. When I arrived there I was welcomed by the factory's board of directors. Mr Khamlia, the director of the factory, told me its history. The factory had been left in a broken-down condition by the capitalists of the old regime. Prior to Liberation, they could see that the old administration could not defeat the revolutionary forces and that the factory would fall into the hands of the revolutionary forces. They lost hope and became jealous of the new regime, so they dismantled important machines and took apart the basic components so that the factory could not produce on a normal basis. After Liberation we revided the factory. It was so difficult that it was almost impossible to fix it. However, because its role is to produce electric wire and plastic bags for the public, it could help to reduce our dependence abroad by helping us to be self-sufficient and self-reliant and also to be our own master. Therefore, the party and government approved the capital for restoring the factory to its normal production and assigned cadres and workers to manage and repair the machines. In doing this they used production plans through the state plan concerning raw materials purchased abroad. Mr Khamlia added that because of our lack of experience in management and the shortage of raw materials, the factory's management and production were in the form of an administrative subsidiary.

What Mr Khamlia said was true, because the management of the factory was in the form of an administrative subsidiary. No detailed production was planned, no expected figures were set, the financial accounts were in chaos, and production was carried out without any economic calculations for profit and loss. Production was handled poorly, and they only did it for the sake of having materials for production and making products. They did not think about profit or loss at all. Creativity was lacking, as was their sense of responsibility for the machinery. They just let the machines run. The rubber burning equipment did not work right. The result was poor products and great losses of raw materials. The workers were not content which led to discouragement greed, corruption, and waste. They played cards all the time and ignored their responsibility toward public property, resulting in great losses and damage and in a lack of a sense of obligation to the state bank. They also owed the state bank many millions of kip. There were conflicts within the board of directors, and the workers were suspicious of each other. There was no right of collective ownership, which suppressed the state income, and there was no collective income for the factory or for individuals. Thus, the standard of living of the workers was low.

By understanding the contents of the Ninth Plenum of the Central Party Committee on the management problems of industrial factories and on turning the factories into main socialist units step by step, the electric wire and plastic bag factory rapidly improved the organization of the lines of production within the factory. They improved the management and the financial accounting system. The production plan is set periodically on a daily, weekly, and yearly basis. There is a billing system for selling products.

The factory board of directors also organized a weekly political life style meetings with determination. They continuously studied, trained, and guided in ideology. They turned the management and production system into the new socialist economic system step by step and gradually wiped out the administrative subsidy management.

As a result, the workers' ideology improved and they became highly responsible for the machinery and for their own work. They now focus on producing on a normal basis and correct work. Workers are assigned to control each machine correctly and to plan sistematically and set up production schedules. They promoted the right of collective ownership and economic calculation with the three guaranteed benefits for the state, for the factory as a whole, and for individual workers by setting up regulations and properly exercising technical regulations in production and in the labor and wage system.

There was mobilization for each worker to be creative in his own work in producing electric wire and plastic bags on a normal basis and more besides, resulting in an increase in the income of the state, the factory, and the individual and in a happy life for the workers.

9884/12951
CSO: 4206/98

PARTY GROWTH IN ARMY DIVISION HIGHLIGHTED

Vientiane PASASON in Lao 19 Apr 86 p 2

[Article by K Khounnousai: "Five Years of Improvement and Cadre Training in Division B in the Northern Region"]

[Excerpts] Our army was created and has grown because of the training of the LPRP and under the care of the people of ethnic groups. The same goes for Infantry Division B in the northern region. After it was officially created the party organization was also set up at the same time, and it began to carry out important and essential work in various units.

The base party chapter of the division has comprehensively carried out the building and improvement plan for the members in each party chapter for regiments, demi-battalions, independent companies, schools, hospitals, offices, and organizations under the division according to the general plan of the party under the supervision of the general military political bureau. Each of the over 30 party chapters throughout the division focuses on the general direction of building the units in the way set by the base party committee. In the 5-year period for the building and growth of the division, the party chapter and its members have stayed with the different movements of the division, for example, fighting, training, and building within the units. The party members participate in all movements whether they are large or small.

In order to continue to strengthen the units in every way, the base party committee for the division has set an emulation standard for each party chapter under it to complete its own work. All the party chapters and party members have become leading labor forces in carrying out the work and all the orders from the higher echelons and in systematically and effectively improving weaknesses and shortcomings. The party members under each unit are a source of trusted forces for the party in order to promote various units to success. Another factor that helps each party chapter to work effectively is that they organize and train all the cadres and combatants in the party in unity and solidarity.

Over the past 5 years the membership of the party chapters in the division has greatly expanded, and there has been a steady improvement in their quality.

9884/13045
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BRIEFS

SARAVANE COFFEE PRODUCTION, SRV EXPERTS--In 1986 the trade section in Saravane Province set the expected figures for the district [Lao Ngam] that are obligated to the province, such as 1,000 tons for coffee purchases and 1,000 tons of cardamom. Since the beginning of the year the district trade section has purchased and exchanged 1,000 tons of coffee and 95 tons of cardamom. Lao Ngam District also has a plan for building a small 300-kW hydropower plant in Houai Ta Poung where the survey has already been started, and it is expected that the installation will be completed by the end of the year. When it is completed it will serve a rice mill, a sawmill, and the people in the district. SRV experts are helping in the survey and in the installation within the district capital itself. This serves to demonstrate the strength and growth of Lao Ngam in the new phase. [Excerpts] [Vientiane PASASON in Lao 23 Apr 86 pp 2, 4] 9884/13045

SARAVANE RESETTLEMENT (KPL)--In the dry season of this year the administrative committee of Saravane Province sent out a number of technical cadres to mobilize and encourage the people in the mountainous area in Ta-Oi District to leave highland farming and come down and engage in lowland cultivation. Now as many as 2,070 families have come down to engage in settled farming on the flatland. This has gradually decreased the over 7,300 hectares of highland cultivation area throughout Ta-Oi District. [Excerpts] [Vientiane PASASON in Lao 21 Apr 86 p 1] 9884/13045

LUANG PRABANG MILITARY RECRUITMENT, COMBAT--Luang Prabang is one of the provinces that has scored outstanding achievements for the 10th anniversary of the founding of the nation. The people throughout the province have had a long heritage of diligence. Youths throughout the district participate in national defense and in building a socialist nation. For example, in early 1985 the Luang Prabang Youth Union achieved many things. In national defense and security the youth union committees at each level mobilized 583 youths of ethnic groups to volunteer to take part in the military forces by joining the regular forces and the guerilla militia. They attacked enemies, suppressed counterrevolutionaries, and wiped out many instances of robbery and illegal trade. [Excerpts] [Vientiane PASASON in Lao 19 Apr 86 p 2] 9884/13045

SAVANNAKHET DISTRICT COOPERATIVIZATION (KPL)--The conversion to agricultural cooperativization in Outhoumphon District, Savannakhet Province, is now being effectively improved and expanded. By the end of 1985 the number of agricultural coops throughout Outhoumphon District increased to 190 units, and they have 16,000 hectares of productive area. The outcome for paddy rice in the district last year was over 45,550 tons or 569 kg of paddy rice per capita. This was the outcome for collective production especially in the form of agricultural coop production which covers 90 percent of the production area throughout the district. [Excerpts] [Vientiane KHAOSAN PATHET LAO in Lao 22 Apr 86 p A8] 9884/13045

OUDOMSAI ROAD CONSTRUCTION (KPL)--Since early March the people in Phousai Canton, Houai Hou, Nan Se, and Phou Tan Cantons in Na Mo District, Oudomsai Province, have successfully constructed 12 km of a 22-km road from the district building to Phou Tan Canton. Meanwhile, road construction from Pak Tha District to Pha Oudom District is being accelerated and is expected to be completed in November. This is to guarantee a throughway for communications and transportation from the districts to rural areas and is aimed at encouraging convenient circulation, distribution, and communications between localities during both the dry and the rainy seasons. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 1 Apr 86 p A3] 9884/13045

LUANG PRABANG BANK DEPOSITS (KPL)--Since early January and up to the end of February, the cadres, combatants, and people throughout Luang Prabang Province deposited over 151,150 kip of the money they had saved from production sales in their own provincial branch of the state bank, and they also bought 295,600 kip of the savings lottery. [Excerpts] [Vientiane KHAOSAN PATHET LAO in Lao 25 Mar 86 p A7] 9884/13045

SAVANNAKHET-SRV FORESTRY TRADE (KPL)--Cooperation in tree felling between Savannakhet and Binh Tri Thien, twin provinces of Laos and Vietnam, in the first quarter of 1986 has been a success. In the past 3 months the tree-felling settlement in the industry, handicrafts, and forestry section in Savannakhet Province worked in cooperation with Settlement 1915 of Binh Tri Thien Province in felling a total of 3,648 cubic meters of trees in the Phou Vieng Mountain and Phin District areas and exported over 1,000 cubic meters of trees. In 1985 the two tree-felling and logging settlements of the twin province worked together and cut down a total of over 22,780 cubic meters of logs, exceeding the yearly plan by over 2,180 cubic meters. [Text] [Vientiane PASASON in Lao 10 Apr 86 p 1] 9884

VIENTIANE RICE PURCHASE PRICES--In the first 3 months of 1986 the trade coop members in Ban Phon Tong, Chommani, Chanthaboury District, Vientiane Capital, collected a total of 2,102 kg of agricultural taxes and purchased and exchanged goods with the people and farmers in their area of responsibility valued at a total of 35,592 kip. [Excerpt] [Vientiane PASASON in Lao 12 Apr 86 p 1] 9884

CHAMPASSAK DISTRICT LPRP CONGRESS, MEMBERSHIP (KPL)--The second party congress of the party committee in Phon Thong District, Champassak Province, was opened on the morning of 8 April. There were 85 full representatives who represented a total of 536 party members throughout the district. [Excerpt] [Vientiane PASASON in Lao 15 Apr 86 p 1] 9884

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CSO: 4206/98

U.S. BASES ISSUE DEBATED WITH 'WIDENING DIVISIONS'

HK130847 Manila PHILIPPINE DAILY INQUIRER in English 11 Jun 86 p 4

[Editorial: "A Question of Bases"]

[Text] The widening divisions among the conservative, liberal and "progressive" (read as radical) elements in Philippine society are making it extremely difficult to dispassionately and intelligently discuss the issue of American military presence in the country.

Even within the ruling coalition which brought Ms Aquino to power--and certainly that includes the reformist wing of the armed forces--debates on the U.S. bases often approach a level of emotionalism which hint of deep cleavages in government. That is, whenever it does decide to talk about the matter--which isn't too often.

It's always been assumed that about the only people in this country who are determined to see the dismantling of the U.S. bases are the communists and their fellow-travelers. The notion, of course, smacks of the primitive demarcations of the Cold War, when the issue was framed as a matter of "us vs them." The Red-inspired insurgency somehow lends dubious credence to the claim that the Americans' departure would create a "vacuum" which the Soviets, it is alleged, would only be too willing to fill. This, despite ample evidence that the CPP [Communist Party of the Philippines] is basically a homegrown phenomenon. Over the years and from bitter experience, most Filipino communists have learned to reject both their vacillating former patrons in Beijing as much as the social-imperialists at the Kremlin. Still, in this age of intense superpower rivalry, the threat of Soviet aggression is a compelling one.

The progressives are just as guilty of simplistic argumentation. In their propaganda they invariably portray even those who, in all conscience, are thoroughly convinced that U.S. military presence serves the national interest as, at best, neanderthal simpletons or, at worst, imperialist lackeys. Moreover, widespread is the suspicion that they raise the rallying cry of nationalism only as a political and organizational expedient. Although contemporary Philippine history will attest that they have always been at the forefront of the nationalist movement--beginning with the anti-Japanese struggle in Central Luzon up to the anti-Marcos protest actions. Moreover, they should be credited for raising the nationalist agenda from the knee-jerk ethnocentricism of our forebears to a careful, objective evaluation of our developing-country dilemma in a world dominated by mutually destructive superpowers. Besides, the likelihood that the U.S. bases would surely invite Soviet nuclear attack once the U.S.-USSR conflict boils over is all too real for any Filipino to ignore. We need only recall the events of December 8, 1941.

Amid this ideologically-charged debate, however, the voice of those Filipinos who do not think of themselves as conservatives or liberals or progressive--just Filipinos--is lost. It is now steadily becoming inconceivable to think, for instance, that the freedom-loving citizens of this country would not also want to assert the sovereignty of the Republic. And sovereignty, by definition, also happens to encompass the removal of all foreign military presence in the Philippines.

On the eve of Independence Day, it is about time we remind ourselves again of the heroic sacrifice of those men and women who struggled 88 years ago to build a genuinely independent Philippines. And by that they clearly meant a nation where no foreign bases are around to cast doubt on our right to be free as well as on our resolve to assert our independence.

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CSO: 4200/1134

FORMER PRESIDENT MACAPAGAL CRITICIZES U.S. SUPPORT OF MARCOS

HK120906 Manila THE MANILA EVENING POST in English 10 Jun 86 pp 1, 6

[Text] Former President Diosdado Macapagal yesterday accused four U.S. presidents of "collaborating with former President Marcos in nurturing dictatorship in the Philippines."

"It was a grave error that Richard Nixon, Gerald Ford, Jimmy Carter, and Ronald Reagan collaborated with Ferdinand Marcos in nurturing dictatorship and its heartless travesty upon the human rights of Filipinos for the sake of the U.S. military bases," Macapagal told the Quezon City Rotary Club at the Quezon City Sports Club.

"The mistake almost cleaved permanently the bond of friendship and cooperation for mutual benefit, and in the interest of the two peoples, it must never happen again," he added.

Macapagal said the ascendancy of President Aquino to power is "transcendental and historic."

He said "People's Power" outmaneuvered U.S. President Reagan from keeping Marcos as president while at the same time supporting the opposition led by President Aquino.

"The statement of U.S. Secretary of State George Shultz at the height of the EDSA [Epifano de los Santos Avenue] revolution that to the U.S. Philippine democracy is more important than the military bases constitutes a long-overdue realization that the enduring bond between the Filipinos and the Americans is democracy, not just for Americans but equally for Filipinos," Macapagal said.

He said that when he was president, he "saw the unconscionable U.S. pattern of intervening in Philippine presidential politics and trying to control Philippine presidents to maintain the strong American influence in the country."

Macapagal said "the U.S. Government did not look at my reelection as their interest and supported then Senate President Marcos against me in the 1965 presidential elections."

The U.S. should realize that the time has come to deal with the Philippines as a sovereign and independent nation," he said. If the U.S. hopes to retain Philippine cooperation as part of the Asia-Pacific defense chain, it ought to treat the Philippines not as a colony," Macapagal said.

"The new relationship should warrant that the U.S. lay off its hands on Philippine presidential politics so that we will have presidents who are our choice and who will serve our people," he said.

Macapagal, who served as president from 1961 to 1965, changed the Independence Day celebration from July 4 to June 12 during his incumbency.

"If we can bring about this change in the aftermath of the revolutionary assertion of People's Power, then every June 12, we shall commemorate the reality, not the shadow, of independence."

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COURT BLOCKS U.S. ATTEMPT TO GET ABUSES INFORMATION

HK130908 Manila MANILA BULLETIN in English 12 Jun 86 p 10

[By Ben Rosario]

[Text] Legal technicalities yesterday blocked efforts of a United States court to obtain evidence of human rights violations allegedly committed under the Marcos regime.

The hearing of the U.S. court's position to obtain testimonies of Defense Minister Juan Ponce Enrile and Armed Forces Chief Gen Fidel Ramos was held yesterday in a Quezon City [QC] court.

Lawyers representing deposed President Marcos and the government argued on legal questions on how the evidence sought by the U.S. court could be obtained.

QC Judge Filemon Mendoza adjourned the proceedings and directed Enrile's private counsel, Antonio Bautista, to write down his opposition to the U.S. court's request.

Judge Edward Cahn of the Eastern Pennsylvania District Court has sought the testimonies of Enrile and Ramons in connection with a multi-million-dollar "class action" suit filed by Filipino torture victims against Marcos and former Armed Forces chief, Gen Fabian Ver.

In "letters rogatory," Cahn also requested that Philippine military documents concerning the arrest, detention and death of political detainees be divulged. The 14 types of documents being sought include location of safehouses, lists of arrests and detention orders, and burial sites of killed political prisoners.

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CSO: 4200/1134

GOVERNMENT DEBATES PLANNED BUDGET FOR 1987

HK131546 Manila MANILA BULLETIN in English 13 Jun 86 p 21

[By Juanito Concepcion]

[Text] The government of President Aquino is considering expenditures of P114.8 billion next year in an effort to achieve a 5 percent growth in gross national product (GNP), significantly higher than the projected 1.5 percent GNP growth this year.

Government documents showed that the proposed 1987 government budget is 5 percent higher than the 1986 revised expenditure level of P109.4 billion.

GNP for 1987 is estimated to reach P739.6 billion or a 13.4 percent increase from the 1986 level of P652.2 billion.

To meet the 1987 projected expenditure level, the government expects to generate revenues of about P100.6 billion, excluding inflows from the Economic Support Fund [ESF] from the United States which will amount to only some P2.8 billion in 1987 from the 1986 level of P4.2 billion.

The revenues that the government expects to generate in 1987, net of ESF, are significantly higher from the P83.2 billion revenues, net of ESF, that it expects to generate this year.

With 1987 projected expenditures of P114.8 billion being met with projected total revenues of P103.4 billion including ESF inflows, the resulting budget deficit next year will amount to only P11.4 billion, a sharp 48.18 percent reduction from the projected 1986 deficit of some P22 billion.

For next year, the government plans to increase by 11.7 percent to P76.5 billion its current operating expenditures and capital outlays by 18.06 percent to P18.3 billion in a bid to achieve the projected 5 percent GNP growth.

Net lending by the national government, primarily to government financial institutions and other agencies, will be reduced by 21.3 percent to P20 billion. Total net lending of the government this year is expected to amount to P25.4 billion, of which P16.4 billion had been allocated to the Philippine

National Bank, Development Bank of the Philippines and the Philippine Foreign Loan Guarantee Corp [Philguarantee].

Government documents said that a budget deficit-to-GNP ratio of 1.5 percent in 1987 will not likely exert undue pressures on the balance of payments deficit and domestic liquidity.

The reduction of the ratio from the proposed level of 3.4 percent in 1986 will likely mean that the ratio of domestic credit flows that may be allocated to the national government to the total credits available in the economy will go down.

This will ensure the availability of domestic credits for the private sector, government sources said.

The government expects a 13.4 percent increase in its 1987 revenue collections as it hopes to reap the full-year impact of new tax measures, put in place this year, that will increase government revenues by some P7.1 billion.

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DAVAO PAPER EDITORIAL ON AQUINO'S FIRST 100 DAYS

HK130900 Davao City THE MINDANAO DAILY MIRROR in English 5 Jun 86 p 2

[Editorial: "The First 100 Days"]

[Text] We do not have the space for an assessment to give even just a rough idea of how Mrs Corazon C. Aquino fared during her first 100 days as president of the republic.

However, it is safe to state that her biggest achievement during the period was her being able to politically hold together a rainbow coalition of often conflicting and ambitious blocs in the cabinet. Translating her immense popularity with the people into political power, Mrs Aquino has shown how tough she can be if the need arises. Samples of her mettle as a decisive leader have been manifested in instances when she decided against the overwhelming pressure from her advisers and the military bloc of Minister Enrile and General Ramos as in the release of political detainees.

Beyond this, however, Mrs Aquino has still to do a lot. The economy, which took the backseat during the first 3 months, ought to take priority now. Unfortunately, the Aquino government still has to announce an economic recovery plan. Indecisiveness in this area might have turned off foreign governments and international creditors from fulfilling their much-publicized aid and loan commitments.

A perked-up economy will go a long way in the country's drive to solve insurgency, a very alarming problem in itself.

It is therefore hoped by those who wish this country well that President Aquino and her official family now concentrate their talents and efforts on economic recovery. In this task, they would need a resolve, more unifying and transcendent than their common hatred for Marcos.

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COLUMNIST QUESTIONS POLICE ACTION AGAINST RALLYISTS

HK130905 Manila THE MANILA EVENING POST in English 11 Jun 86 p 4

["Passing Through" column by Emilio H. Serrano: "The Reds Are Everywhere"]

[Excerpt] The official Malacanang report says Mrs Aquino was cooking dinner in her new home on Arlegui Street near the palace when she notices a whiff of tear gas entering her kitchen. She was not bothered, according to Executive Secretary Joker Arroyo, because "she continued cooking." Now, that's real, cool, certified poise.

Meanwhile, soldiers and policemen continued exploding tear gas bombs on the rallyists who merely wanted to reach Freedom Park fronting Malacanang to air their grievances. The homey smell of cooking filled the Aquino kitchen while out in the streets a few blocks away, men, women, and children were being gassed, hosed, beaten short at and stabbed, forcing some rallyists to jump from Ayala bridge to the Pasig River to escape police and military brutality.

Mrs Aquino was quoted as asking what the rallyists were fighting for.

"Do they want democracy? We already have it," said she.

There are no words to describe the general reaction to that. Marcos muffed his chances because towards the end he was incapable of listening to, or looking at, the other side, but this was after 20 years of being in power. Mrs Aquino is doing it only after 3 months. And her police and Capcom [Capital Command] are proving to be more brutal than the Marcos military ever was.

We all remember the rallies of the yellow shirters in Makati and how they tied up traffic for hours. In one instance, a yellow rallyist dropped a plastic bag full of human urine on the head of the late Mayor Nemesio Yabut. They were not exactly rallies exemplary in civilized manners but they were allowed with a minimum of interference from the authorities. Today, even the "V" sign is classified as a gesture of "public alarm and scandal."

Brig Gen Alfredo S. Lim, Western Police District superintendent, was all over the morning papers yesterday, surrounded by 18 molotov cocktails supposedly left by raliyists at the Luneta midnight Sunday. General, sir, you will have to cook up something better than that. That's a script that will not win an award even from the Badaf [Philippine slang word for homosexual] Movie Scribes Association. If there had been magnums or Uzis in the cache, okay pa [still], but beer bottles like our favorite metro aides and stevedores like to clutch at the end of a hard day's work? With improvised wicks yet, torn from the camisola [camisole] of our rosary-praying aunt?

Please, sir, the loyalists ranks are not all no read no write. They like their police plots to be slightly more intelligent than this, with a touch of [word indistinct], granting the average tear-gas throwing Capcom or police Good Guy can manage to spell that word, not to speak of knowing what it means.

Another excuse for the police savagery last Sunday was the Lim statement that the rally was "illegal." The rally on Edsa [Epifano de los Santos Avenue] last February was also "illegal," but did General Lim and his Canister and Hose Battalion swoop down on them after talking to Butz Aquino and General Ramos? Were the rallyists at the Luneta last Sunday not Filipinos like those who gathered at Edsa? By holding back last February was Gen Lim then upholding the law, in the same way he enforced the "same" law last Sunday on Ayala Blvd but with a slight painful twist?

In private, there is no doubt Gen Lim is a fine person but as Ka [comrade] Blas [Ople] had earlier remarked, the desire to gain a few notches upward in his career is costing Gen Lim more than he realizes just now. In retrospect, Gen Cabrera wasn't so bad. He liked to err on the side of tolerance and compassion.

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METRO MANILA RETAIL PRICES CONTINUE TO RISE

HK131557 Quezon City BUSINESS DAY in English 13 Jun 86 p 13

["Economic Indicator" column: "Metro Retail Prices Continue to Go Up"]

[Text] Retail prices of selected commodities in Metro Manila, as measures by the retail price index (RPI), continued to rise in March compared with their year ago levels, data based on the indices released by the National Census and Statistics Office (NCSO) showed. Using 1978 as the base year, the RPI for all items during the month went up 3.09 percent to 373.1 index points from 361.9 index points.

Among the different commodity groups whose retail prices are monitored by the NCSO, only the mineral fuels, lubricants and related materials group posted a decline of 13.68 percent the rest registered increases ranging from a high of 10.34 percent to a low of 1.18 percent.

Following the rollback in prices of oil and oil products, RPI for mineral fuels, lubricants and related materials slid 71.1 index points from 519.9 index points in March 1985 to 448.89 index points in the same month this year.

The RPI measures changes in the prices of a select set of commodities bought on retail. It is computed as the ratio between the retail prices of these commodities during the reference period (1986) and their retail prices during the base year (1978).

Meanwhile, among the items in the RPI basket that registered increases, the beverages and tobacco sector recorded the highest percentage gain of 10.33 percent. From 338.7 index points in March the previous year, this year's level went up 35 index points to 373.7 index points. This was followed by the machinery and transport equipment group with a 7.74 percent rise, while chemicals, including animal and vegetable oils and fats, came third with a 5.57 percent increase.

The other comodity groups registered the following increases: miscellaneous manufactured articles, 5.4 percent; crude materials except fuel, 4.97 percent; food, 4.92 percent; and manufactured goods classified chiefly by materials, 1.18 percent.

Retail Price Index in Metro Manila

(1978 equal 100)

Year/ Month	All Items	Food	Beverages & Tobacco	Crude materials except fuel	Mineral fuels lubricants & related materials	Chemicals including animal & vegetable oils & fats	Manufactured goods classified chiefly by materials	Machinery & transport equipment	Miscellaneous manufactured articles
1985	366.6	388.6	346.3	369.0	519.0	411.2	416.7	295.2	404.6
January	365.1	336.6	333.2	359.2	548.9	404.1	415.4	293.2	395.1
February	363.8	333.5	335.6	361.9	548.2	405.2	416.9	293.1	398.2
March	361.9	333.1	338.7	363.9	519.9	407.8	413.8	294.4	401.5
April	363.6	335.6	341.1	369.7	511.6	408.8	416.4	295.3	403.0
May	364.2	336.5	341.2	365.4	510.7	412.0	416.1	297.3	402.6
June	363.1	334.4	345.6	367.0	511.5	412.6	415.3	297.1	402.8
July	368.4	342.0	350.0	365.4	512.6	412.6	417.1	295.2	404.3
August	376.6r	340.3	353.3	366.7	512.6	413.3	417.7r	294.2	404.4
September	367.0	339.1	353.5	373.3	512.6	412.6	417.0	294.6	405.4
October	368.5	340.7	353.1	376.3	512.7	414.4	418.3	295.1	409.8
November	370.8	344.1	354.9	377.8	513.2	415.1	417.9	295.5	412.0
December	373.2	347.4	355.7	379.8	513.2	416.5	418.4	297.1	416.3
1986									
January	377.8	354.7	365.1	383.7	505.7	419.1	416.2	301.9	416.7
February	373.4	350.8	369.8	384.2	454.1	422.6	418.1	312.0	421.2
March	373.1	349.5	373.7	382.0	448.8	430.5	418.7	317.2	423.2

r--revised

Source: National Census and Statistics Office (NCSO)

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CSO: 4200/1134

FIRST QUARTER TRADE IMBALANCE REACHES $150 MILLION

HK130948 Manila THE NEWS HERALD in English 12 Jun 86 p 8

[Text] The country incurred a trade imbalance of $150 million from January to April this year, the National Economic and Development Authority [NEDA] reported yesterday.

Imports during the period were placed at $1.63 billion against exports of $1.48 billion, the NEDA said.

This year's deficit for the first 4 months of the year is so far the lowest since 1984.

Last year, the comparative trade gap was placed at $211 million and in 1984 at $257 million, according to the NEDA report.

In April, the NEDA statistics showed, total export earnings amounted to $396 million, against imports of $414 million for a trade deficit of $18 million for that month alone.

Exports in April dropped 3.9 percent from $412 million in March of the same year, according to the agency.

Imports, however, were lower at $414 million. The NEDA said the country paid a total of $490 million in imports in the preceding month.

The NEDA said total export earnings during the first 4 months of the year of $148 billion reflected a 2.6 percent decline in revenues on an annual basis.

Imports during the 4-month period, the NEDA continued, reached only $1.63 billion or 5.8 percent lower than last year's comparative payments of $1.63 billion.

In terms of volume, the top dollar earner for the month of April was the electronic and component sector with $69.6 million, but still a decline of 1.14 percent from the previous month's $70.4-million revenue.

The biggest decline in export earnings, however, was incurred by the tobacco sector which sold only $500,000 from $2.8 million in March, for a drop of 82.14 percent.

The top gainer during the month was the iron ore agglomerate (sinter) sector with earnings rising by 154.29 percent, from $3.5 million in March to $8.9 million in April.

/8918
CSO: 4200/1134

AUDIT COMMISSION INVESTIGATES COCONUT LEVY

HK131600 Quezon City BUSINESS DAY in English 13 Jun 86 p 15

[By Ramon R. Isberto]

[Text] The Commission on Audit [COA] has revived an old legal issue about the coconut levy collections that may ultimately topple the claim that 1.4 million coconut farmers own the levy collections and the business empire that has been built with the money.

In its special audit on the P9.7-billion fund, the COA ruled that the proceeds of the controversial levy is "tax money which should go to the public treasury."

COA's findings have a direct bearing on current efforts of the Presidential Commission on Good Government [PCGC] to untangle the extremely complex affairs of the network of companies under the umbrella of United Coconut Planters Bank [UCPB].

A PCGG goal is to pinpoint interests of top Marcos associate Eduardo M. Cojuangco Jr, former president of UCPB and chief of about 140 related and unrelated companies before he fled the country along with ex-President Marcos last February.

Cojuangco is alleged to have used his close links with Marcos to set up the coconut levy funds and to allow the use of these funds to build up a chain of private business concerns. Within the bank, Cojuangco is alleged to have used his position to control the shares nominally owned by coconut farmers.

If the levy proceeds are indeed public funds, the government may end up owning virtually all the interests now being claimed by various quarters in the coconut industry in the name of the coconut farmers.

Explaining the commission's findings, COA chairman Teopisto Guingona told newsmen last week that the levy was an "enforced collection imposed on the proceeds of the sale of coconut products for a public purpose."

This statement is based on the fact that under numerous Marcos decrees regarding the coconut levy, the Philippine Coconut Authority [PCA] set the levy rate, collected the proceeds and deposited the collections--first with Philippine National Bank [PNB] and later with UCPB.

Guingona condemned what he called "legal manipulation" that turned the coconut levy collections from a public fund into a private one which "vested interests" used to their advantage.

In Guingona's view then, the numerous uses to which the levy funds were used--including investments in UCPB and a several coconut oil mills--may amount to misappropriation of public funds.

The implications of such a ruling on UCPB are huge. Based on disclosures made by UCPB management, the coconut farmers directly own about 52 percent of the bank's 747.17 million common shares of stock. Another 8 percent is owned by five coconut mills and United Coconut Planters Life Assurance, all supposed to be owned by the coconut farmers. The coconut farmers thus own directly and indirectly about 447 million common shares, or 60 percent of the total.

If such investments constitute a case of "misappropriation of public funds" as implied by the COA ruling, then the shares supposedly in the name of coconut farmers may be subject to government action.

For the PCGG, the COA ruling may provide a basis for sequestering that controlling block of UCPB shares which Cojuangco is alleged to have controlled and used to perpetuate his hold on the bank.

The PCGG has been resorting to other pressure tactics to pry loose Cojuangco's alleged interests in UCPB and related companies. One is trying to identify which blocks of shares are directly owned by Cojuangco along with those which he controlled through nominees.

As admitted by UCPB officials, Cojuangco's holdings in the bank include about 133 million shares or 17.77 percent of the total common shares.

PCGG officials claim, however, that Cojuangco's direct and indirect holdings may be at least 43 percent.

The COA finding gives the government a crack at the controlling 60 percent of the bank's voting shares without even touching the suspected Cojuangco holdings.

About 2 weeks ago, PCGG Commissioner Raul Daza expressed concern that representatives of some bank officials had gone around just before the change in government last February to buy up UCPB stock certificates given to coconut farmers. Other reports had it, on the other hand, that stock certificates of several coconut oils were being distributed to coconut farmers.

The purpose, it appears, was to bolster claims that the mills were indeed owned by coconut farmers. COA's interpretation of the nature of the coconut levy would make such maneuvers academic. The COA findings are thus bound to meet stiff resistance from affected industry quarters.

How the matter will be resolved will depend on how the courts will interpret the various decrees under which the levy was set up and the investments from the funds were made.

Of particular interest are Presidential Decrees No 755, PD No 961 and PD No 1468.

Issued July 29, 1975, PD No 755 authorized the PCA to buy through PNB a 72 percent interest in First United Bank "on behalf of the coconut farmers," using P28.9 million from the levy funds.

The decree also authorized the PCA to use an additional P80.8 million of levy funds to increase First United Bank's capital--by then renamed as United Coconut Planters Bank--to meet the P100-million capital requirement set by the Central Bank.

PD No 961 (issued July 14, 1976) and PD No 1468 (issued June 11, 1978) authorized the use of P694,833.81 of levy funds to finance the printing, preparation and distribution to 353,802 coconut farmers of the shares of stock representing their investments in UCPB.

PD No 961--along with three PCA board resolutions--was also used as the legal basis for using P23 million of levy funds to finance, among others, the distribution to coconut farmers of UCPB cash and stock dividends, and a nationwide survey to identify the farmers entitled to shares of the companies owned by coconut farmers (by then numbering 1.36 million).

PD No 755 authorized the PCA to distribute, for free, UCPB shares to the coconut farmers. Section 9 of the PD No 1468, on the other hand, gave ICPB "full power and authority to make investments...in corporations organized for the purpose of engaging in the establishment and the operation of industries and commercial activities and other allied business undertakings relating to the coconut and other palm oils industry in all its aspects...."

Section 10 of that decree authorized UCPB to "equitably" distribute, for free, investments made by the bank to the coconut farmers "except such portion of the investments which it may consider necessary to retain to insure continuity and adequacy of financing of the particular endeavor."

Both PD No 755 and PD No 1468 provide that the various funds under the coconut levy shall not be considered as "special and/or fiduciary funds, or as part of the general funds of the national government" as defined by PD No 711.

PD No 1468 added that the funds are not a "subsidy, donation, levy, government-funded investment or government share" as provided for by PD No 898. That decree said the intention use [as published] that the levy funds and the disbursements of these shall be "owned" by the coconut farmers "in their private capacities."

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PHILIPPINES

BRIEFS

DEPARTMENT STORE BLAST--Zamboanga, Philippines, June 16 (AFP)--At least 11 people were injured when a grenade exploded in a department store here Monday, witnesses said. The blast ripped through the ground floor of Shoppers' Plaza which is this southern city's biggest department store, the witnesses said. At least 11 people were injured and 3 of them seemed to have suffered serious injuries, they added. Zamboanga, on Mindanao Island, is a hotbed of a 14-year-old Muslim separatist rebellion. [Text] [Hong Kong AFP in English 0733 GMT 16 Jun 86 HK] /8918

CSO: 4200/1134

BINH TRI THIEN BANK DIRECTOR JAILED FOR ABUSING AUTHORITY

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 20 Mar 86 p 4

[Text] Recently in Phu Bai town, the People Court of Binh Tri Thien Province tried Le Ngoc Vinh, a former acting bank director in Huongphu District, who was charged with profiting from his position to obtain a bribe from a production base level unit.

Le Ngoc Vinh taking advantage of his position forced bribes of money and gold from the Tien Phong and Vinh An Four fishing collectives in order to get a production development loan from the state bank.

Having obtained a loan of 3.5 million from the state to build a fishing boat, Van Binh, head of the Tien Phong fishing collective went to the Huongphu District bank to transfer the check, but Vinh caused lots of difficulties. Binh then visited Vinh at his private home. Vinh forced Binh to give him a tael of gold to transfer the check. As he wanted to own the fishing boat early, Binh discussed this with the cooperative members and motivated them to contribute gold to bribe Vinh. Vinh also demanded 10 percent of the loan, whenever the fishing team cashed the check.

Similarly, Nguyen Van Huyen, head of the Vinh An Four fishing collective had to offer him 0.6 tael of gold and 65.000 dong in order to withdraw a loan of 340.000 dong from the bank to cover expenses for repair of his fishing boat. Thus, Vinh obliged those two fishing collectives to bribe him with 1.4 [sic] tael of gold and 94.000 dong.

The People Court of Binh Tri Thien Province sentenced Le Ngoc Vinh to 9 years in jail and ordered him to return the whole sum of money and gold to the above fishing groups. Binh and Huyen, though involved in the bribery, were coerced to do so; they acknowledged their fault and denounced Vinh in time, therefore they both were acquitted by the judge.

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CSO: 4209/496

SWEDISH AID AGENCY DIRECTOR DEFENDS BAI BANG PROJECT

Stockholm DAGENS NYHETER in Swedish 5 May 86 p 5

[Op Ed article by Carl Tham, general director of SIDA; first paragraph is DAGENS NYHETER introduction]

[Text] Hans-Goran Myrdal is not interested in the people in Vietnam or in what Sweden can do for them. His criticism of Bai Bang is intended solely to discredit Vietnam and aid to that country, writes Carl Tham, general director of SIDA [Swedish International Development Authority].

Hans-Goran Myrdal, special debate director for the SAF [Swedish Employers Confederation], has written another unreasonable article (DAGENS NYHETER's "Debate" page, 28 April) on aid to Vietnam. Now as before, Myrdal has a very absentminded interest in facts. Myrdal arrays himself in suitable indignation over the difficult situation of Vietnamese forest workers, but it is as clear as anything can be that he is really not interested in those people or, even less, in what Sweden can do to help them. His purpose is exlusively ideological--that is, it is an attempt to discredit Vietnam and aid to Vietnam. That is why Myrdal rejects anything which might indicate that people are in fact better off partly as a result of Swedish aid efforts.

Reports trying to make such a claim must be incorrect or "politically ordered," otherwise they do not tally with Myrdal's order of things. That is also why Myrdal takes such pains to avoid facts and is so fond instead of slippery insinuation and innuendo.

For example, he rejects--as though in passing and as though he is merely alluding to a well-known fact--the entire Bai Bang project: "notorious for its constant failures." Really? Bai Bang is responsible today for about one-third of Vietnam's paper production. It produced about 23,000 metric tons in 1985, and this year's figure will probably be higher. Bai Bang represents primarily a sizable transfer of know-how: schooling in industrial technology and organization that is of very great importance to a nation which to a large extent lacks that know-how. Bai Bang has created many thousands of jobs in a country that has permanent underemployment.

Work by SIDA and the Swedish Government on the problem of conditions for the forest workers has been based on the conviction that we can and should make efforts to improve the situation. It is obvious that working conditions are difficult, partly because Vietnam is a poor developing country and partly because the work must be done in undeveloped areas with manpower which must unavoidably be recruited elsewhere. It was the low productivity in forest work a few years ago which led SIDA to commission a special consultant's report on working conditions. Why was productivity so low? The answer was provided in the consultant's report from Larsson and Birgegard.

Myrdal's insinuations that SIDA's management at the time tried to keep that report secret are completely false, of course--the report was presented at a press conference as soon as the Vietnamese had had a chance to read it. Nor did the report claim, as Myrdal states, that 20,000 forest workers had been forcibly recruited, although it did indeed draw attention to a number of abuses as far as both hiring methods and material conditions were concerned.

SIDA took that information very seriously and proposed that subsidies for the forestry portion of the Vinh Phu project (which is the project usually called Bai Bang) continue for only 1 year and that further subsidies be made contingent on Vietnamese willingness to improve conditions substantially. Specific funds for improvement were also allocated.

In September 1985, a special task force consisting of representatives of the Vietnamese authorities, the Scanmanagement consulting firm, and SIDA's aid office was set up in Vietnam. That group was to propose measures and also monitor developments. We emphasized that it was up to Vietnamese authorities to take responsibility for ensuring that improvements occurred.

SIDA monitored developments in several different ways. A special consultant--Lisbeth Bostrand--was called in, and she has submitted a report. It was quite clear that she had little time at her disposal, the simple reason being that decisions on the future forestry program had to be made in the spring of 1986. Myrdal does his utmost to question Bostrand's judgment and ability to evaluate the situation. He even seems to hint that the consultant was instructed to deliver a favorable report. That is an absurd and insulting accusation against both SIDA and the consultant, who came with the best recommendations from, among others, the ILO. It may be worth noting that Bostrand has considerable experience with conditions for forest workers in developing countries and that it was precisely because of that experience that she was hired. Comparing the conditions for forest workers in Vietnam with conditions in other developing countries is not at all without value or a matter of indifference; in fact, it is the only relevant comparison one can make.

Bostrand naturally explains the limitations from which the study suffers, the chief one being the short time available to her. She finds that as a result of Vietnam's well-developed social benefits, its forest workers are better off than forest workers in many other places in Asia when it comes to education, health care, pregnancy leave, and so on. That opinion is shared by the ILO, which commented on the study. Bostrand also finds that substantial improvements have been made or are being made--but that, naturally, many problems continue to exist. She considers it helpful that efforts are being made to encourage the forest workers to take up gardening and agriculture as a means of raising their living standard.

Bostrand's report is not the only basis for SIDA's position. Developments have been monitored continuously by SIDA's aid office in Hanoi. Since December, we have also had a special Vietnamese-speaking Swedish consultant stationed in the area to monitor developments full time.

The picture that emerges from those reports is that Vietnam is making substantial improvements on behalf of the forest workers, considering the limited resources available to the country. The process is not complete, and there are naturally many shortcomings. The emphasis on family agriculture is important, since the result may be the creation of a cadre of individuals combining forestry work with agriculture, a development that may increase the attractiveness of the work. A growing settled population in the area means that functioning communities can develop, and that in turn is of great importance in the recruitment of manpower.

Myrdal claims that I said that all coercion had been eliminated. But I did not say that. In connection with SIDA's letter to the government, I stated that it was not possible to present a completely clear-cut picture. The Vietnamese claim that recruitment is voluntary and that those hired can quit. That corresponds to what we have been able to observe. At the same time, it is clear that like many Asian societies, Vietnamese society is strongly collective in character, and very few people really have extensive freedom of choice. Poverty, the objective lack of alternative job choices, and social pressure often place narrow limits on the individual.

We cannot make any absolutely definite statements, nor do we wish to. We feel, however, that the situation has improved and that Vietnamese authorities are making serious efforts to continue that process. We also feel that Swedish aid and a Swedish presence can help the process continue. Even Myrdal can scarcely believe that living conditions for the people in question would improve if aid were discontinued.

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PARTY ACTIVITIES AND GOVERNMENT

VIETNAM

ASSAULT YOUTH FORCE, COMMUNIST YOUTH PROJECTS DISCUSSED

Hanoi THANH NIEN in Vietnamese Mar 86 pp 17-18, 21

[Article by Tran Hoang Linh: "At the 11th Youth Union Central Committee Conference--More Discussion About the Youth Union's Two Modes of Activities"]

[Text] At the conference of the Youth Union Central Committee held this time in Bac Thai, when the conference reviewed and evaluated the work in 1985 and set the guidelines for 1986, it debated most vehemently the youth union's two modes of activities--the assault youth formations taking part in economic construction and the communist youth projects at various levels.

First of all, we must mention the assault youth formations that have been set up to build the economy. By the beginning of this year, 20 provinces and municipalities throughout the country have organized assault youth forces of different sizes ranging from large ones being set up in long-term concentrations like the assault youth formations of Ho Chi Minh City, the capital city of Hanoi, Long An, Quang Ninh, and so on to young and medium-size ones like the ones in Hoang Lien Son, Thuan Hai, Haiphong, and so on. In the present difficult economic situation, while the numbers of employed youths in municipalities and cities increase every year and the country has not yet fully exploited its land resource, we can say that the birth of assault youth formations is an extremely creative move on the part of youth union organizations and our country's youth movement aimed at fulfilling the two strategic tasks of building and defending the fatherland.

As an earlier article in THANH NIEN pointed out, to organize the assault youths for doing economic work is an urgent national need and a basic way for the Ho Chi Minh Communist Youth Union to do its work in the present revolutionary stage. After doing their work a period of time, these organizations become independent production and business units working in the capacity of a juridical person and under the economic accounting system. From the organizational standpoint, they gather youths of all strata, mostly those who are still unemployed. The assault youth force of Ho Chi Minh City, which was established after the liberation, has gathered all strata of youths, students, college students, and teenagers, all victims of the old regime and different in terms of educational background, family situation, and political views, who now serve the same purpose under the banner of the assault youth: to open new land so as to get more wealth for the country and to train and improve themselves. For nearly a decade, 50,000 youths of the municipality have been trained and have matured, with very many of them having become good management cadres.

The Hanoi assault youth general unit, with thousands of members, has been operating in such fields as coal mining, afforestation, and construction to satisfy the capital city's urgent socioeconomic needs. In Quang Ninh, Haiphong, and Long An, the assault youth forces have also developed their own strength and helped the localities to resolve many key economic problems. In the last few years, this work mode of the youth union, at different levels of activities, has been considered an effective mode and recognized by all echelons and sectors as a good one that should be further developed and multiplied.

In a working session of the 11th Youth Union Central Committee Conference, Council of Ministers Chairman Pham Van Dong had this to say about the assault youth: "Displaying the traditions of the assault youth for the resistance against America for national salvation, today's assault youth formations are a very fine image of the young people of our country. This is an extremely good, extremely beautiful, and extremely effective form. I hope that in the time to come you organize them even more properly and more effectively."

About the communist youths' projects, in recent years in THANH NIEN we have successively introduced the various forms of communist youth projects ranging from central level to ward, district, village, and other levels, such as the ones in Hoa Binh and Pha Lai, the ones in the Bach Dang Ship-building Enterprise, in Nong Cong (Thanh Hoa), Dau Tieng (Tay Ninh), Cam Xuyen (Nghe Tinh), City of Dong Ha (Binh Tri Thien), and so on; and according to preliminary reviews by the Youth Union Central Committee Secretariat, this is a good mode of activities that brings about realistic results and is good in terms of work, manpower, organization, and the youths' collective ownership right. During discussions of the resolution this time, many provincial, municipal, and local youth union delegates hoped that this kind of formations would be reviewed, with experiences being drawn from them, and widely multiplied and put in the right direction.

In the opinion of Le Phuong Thao, secretary of the Ho Chi Minh City Municipal Youth Union, 1985 was a "bumper crop" year in terms of communist youth projects, and this kind of formations has created great effects on society, has grown in both depth and breadth, and has offered many good models that could be multiplied; and eventually, the young people's objectives on the communist youth project work sites must truly be resolving the difficult, necessary, and weak aspects. This really is the concern of many provincial and municipal youth union chapters throughout the country. Nguyen Van Ky, secretary of Quang Ninh Provincial Youth Union; Nghia, secretary of Dong Thap; and the secretary of Tay Ninh--where there are strong communist youth projects--share the same idea: In the communist youth projects, the role of the Communist Youth Union, which has been affirmed and must remain affirmed, has to show very clearly.

About the communist youth projects at central level, the matters that are raised are somewhat more difficult because of the larger scope and the involvement of many ministries, sectors, and localities. As materials and raw materials are being in short supply, the key projects requiring large investment are all put under state management and supervision by the key ministry. In this case where do we fit the youth union organization role? Is it necessary for youths to be assigned the entire work in these projects? In the communist youth projects in Hoa Binh and Pha Lai, total assignments were given to many shops, enterprises, and vehicle and machine teams, which have shown the youths' creative managerial capabilities; however, with the scope of such large projects, it is not always possible for us to accept total assignments of entire projects. Therefore, as an immediate goal, the correct thing for us to do is that we must pay special attention to the political sponsorship task in such projects, properly carry out the efforts to make youths ready to be sent to these key projects in accordance with letters of recommendation from the Ho Chi Minh Communist Youth Union, be concerned about the cultural and spiritual life of the youths at work sites, and properly organize emulation and education of the new men, as the Youth Union Central Committee has done lately. In a not too distant future, perhaps we will build youths' cities in the Central Highlands and youths' island on Con Dao Island, in accordance with the bold but rather romantic revolutionary intentions of the comrades in Ho Chi Minh City and Con Dao, but we really should choose the good opportunities, know our own capabilities, go by steps, avoid being too adventurous, and along with the sectors concerned carefully calculate the mode of management adopted by the youth union as we accept such "big projects," as well as the problems that would arise, the things that would develop in depth, and the new situation, which require that we gradually improve things by learning from experience. There is no single mode of activities, particularly the youth union's mode of economic activities, that is easily recognized right away and is successfully carried out right at the time there still are not enough favorable conditions and cadres.

The same thing applies to the communist youth projects in provinces, municipalities, wards, and districts. With investments made by the administration, youths will be shouldering the key task as spearheads in order to build their localities' economic and cultural projects, to gather in labor organizations which train and educate them, and to mature through these activities. In the present situation, it is necessary to develop all the young people's creative capacity; however, in any project, investment is to be made by the administration and youths are the main-force army that carries the work. Do not ask for "separate kingdoms" for the youths before they accept to do anything. The youth union organizations in all localities must consider themselves the strongest assault army being most capable of helping to dissipate the difficulties that now exist in the economy and society. In some localities some youth union cadres have said that the fact that youths were not free to build enterprises by themselves and were not assigned entire projects amounts to their being "hired hands" only. This is not a correct opnion about youth projects. The reason is that, as we pointed out earlier, there may be projects of different scopes and that, in this case, the responsibilites and contract terms must also be at different levels. Some youth union bases believe that in spite of all the talking about developing the assault role of youths for the fulfillment of any socioeconomic tasks, if there is no money available for their operations, any youth union organizations will find their hands bound and will be unable to do anything.

Although the youth union wants to be active and to expand the movement, all depends on the money provided by the administration. How do we go about resolving this matter? On the one hand, we will accept the difficult and weak aspects that need the assault role of youths and properly fulfill them, and there will be appropriate rewards. About this point, we remember the communist youth project to overfulfill the plan of the Dong Ha City cement factory at the end of 1982. The Dong Ha City Youth Union, by accepting the youth project, helped the factory to surpass the goal of its plan by tens of tons of cement and was awarded millions of dong, which gave it the means to organize later many activities for youths. The communist youth projects in Dau Tieng (Tay Ninh), Nong Cong (Thanh Hoa), Cam Xuyen (Nghe Tinh), and so on involved similar ways of doing things, which are proved to be the most appropriate ways today. On the other hand, when youths fulfill their assigned tasks, the party committee echelons and administration in their localities also must show their proper concern about the young people's interests and create favorable conditions for youth union organizations to operate better. And why can't we organize communist labor days to raise money, which remains a very good form of activity for the young people in communist youth projects? The question is to know how to organize.

Another point that deserves our attention is that communist youth projects, no matter at whatever level they may be, must be of large scope and bring about considerable results. Avoid the situation in which this form is abused as the youth union may organize something, no matter how small, even the removal of some trash in the street or a Saturday afternoon cleanup, and still call it a youth project.

Finally, we want to affirm that the two youth union's modes of activities as mentioned above are basically good, are in the right direction, and have been recognized by the party, state, and people as effective ones. We would like to reiterate here the opinion of the chairman of the Council of Ministers: This is the right direction and the effective way of doing things, but we should not stick too much to formalities and must do everything possible to multiply it and to make it more effective in the time to come.

5598
CSO: 4209/558

HO CHI MINH CITY PRECINCT SETS UP YOUTH NEIGHBORHOODS

Hanoi THANH NIEN in Vietnamese Mar 86 pp 22, 23

[Article by Nguyen Hoang Thuc, secretary, Ho Chi Minh City 6th Precinct Youth Union Committee: "Youth Neighborhoods"]

[Text] The building of "youth neighborhoods" throughout Ho Chi Minh City is expanding and opening up a new direction for youth union activities. Receiving an enthusiastic assistance from the reporters of THANH NIEN magazine, we would like to mention some aspects of building "youth neighborhoods" as our contribution to the youth union's experiences in street activities.

Neighborhoods today are a complicated population center of dissimilar nature where all daily activities, good or bad, are not held for, by, and in connection with youths but rather as the result of the interaction of people of all walks of life, age groups, and occupations who live there. But to take part in the construction of wards is the new direction set by the youth union for its activities. Consequently, the policy calling for building "youth neighborhoods" reflects the coordination among three forces--the youth union, public security force, and army--in Ho Chi Minh City aimed at developing the young people's collective ownwership spirit in taking part in the management of the state and society in a more profound and total manner and at creating more realistic "models."

The movement to build "youth neighborhoods" in the 6th Precinct has originated from this concept. The substance of the task of building "youth neighborhoods" is that of the activities of the assault youth force. We can say that all of the latter's activities conform with the requirements of this task. Therefore, in accordance with the criteria set for "youth neighborhoods," first of all they must be "safe neighborhoods" and there must be a strong ward youth union chapter, a chapter of the Vietnam Youth Federation, and a strong and stable assault youth force that includes specialized units like voluntary labor unit, fire prevention and control unit, cultural construction unit, red cross unit, and so on, as well as a unified, enthusiastic, and capable command.

The youth union and youth federation chapters and assault youth force there must know how to act as the staffs of the party and ward executive committee while being directly involved in properly carrying out the social work. Special attention must be paid to knowing the state of the youths' jobs and recommending to subwards formulas for resolving the employment question. The movement to encourage youths to fulfill their military obligation and to select new members for the assault youth force must attain and surpass the goal set in the regulation; at the same time, the army's work in the rear area must be properly done.

Properly participate in the management of prices and market; unmask in time those who do unlawful business; and effectively strive to get rid of "black addresses" of speculators and smugglers within your ward.

As a compulsory criterion, "youth neighborhoods" must properly build the new cultural way of living; have wholesome artistic activities; and through education and propaganda encourage the masses the fight against and to limit to a minimum the old-fashioned habits, superstitious practices, signs of lack of cultural capabilities, and expensive and unnecessary forms of funerals, weddings, death anniversaries, and so on.

To do well the work for teenagers and children after school is also a major criterion that shows whether a neighborhood is qualified as a "youth neighborhood" or not.

Unlike the youth projects in which the sectors concerned can when recognized show a plaque bearing their names and display it for a long time, particularly in the case of the projects involving the products that have been made according to the principle of total assignment, the "youth neighborhoods" can show their recognition plaques at the entrance to the ward for only a year and have to remove them if they fail to be recognized in the following year. To retain the title of "youth neighborhood" actually is a fierce, permanent, and lasting emulation. All neighborhoods in subwards and in the entire precinct can register in the emulation to build "youth neighborhoods," with as many neighborhoods being recognized as possible.

At the present time, in Ho Chi Minh City in general and in the 6th Precinct in particular, there still are many large "youth neighborhood" plaques, but they are only signs that do not show any real values and create the impressions in the masses that the "youth neighborhoods" are no better than the normal neighborhoods. We suggest that the neighborhoods that have not yet been recognized quickly remove those plaques or, in case they are needed for propaganda purposes to mobilize the youths in the neighborhood, add these words to make them clearer: "Neighborhood having registered for building youths neighborhoods." Although this is a matter of form, if we do not do it correctly, it will reduce the confidence, assistance, support, and recognition of the masses.

If we want to have a strong and widespread movement, we must have unanimity in the leadership and extend this policy to all committees and sectors, with the youth union serving as the backbone. A conference to develop the movement can be organized at the precinct or subward level. The conference in the 6th Precinct, which was held on 26 March 1984, decided to build on a trial basis two "youth neighborhoods" in Neighborhood 4 of Subward 10 and Neighborhood 2 of Subward 5. We selected those two neighborhoods because we had there many people who were self-employed, security and order were poor, and the social ills had not been resolved in a clear-cut manner.

After a year, both neighborhoods have become safe ones and have been recognized as "youth neighborhoods" and the public security sector's "safe neighborhoods."

As our experience indicates, if we want to successfully build youth neighborhoods, the youth union chapters there must have strong determination, have a statement of registration clearly showing intentions and plans, use propaganda to make youths and the masses understand them, and encourage everybody to take part in the building effort and to lend it support and active assistance. To do so all youth union chapters, in coordination with the local public security force, must discuss with neighborhood cells the contents of their neighborhood-building plans and seek the participation of all in carrying them out.

At present, of 76 neighborhoods in 17 subwards of the 6th Precinct 25 have registered to build "youth neighborhoods." The work that leads to recognition of the 1985 "youth neighborhoods" is urgently being done, with recognition being already made as to the "youth neighborhoods" that have succeeded in maintaining the movement since 1984 and deserve being commended, such as Neighborhood 2 of Subward 5, Neighborhood 4 of Subward 10, and Neighborhood 4 of Subward 16.

After making a final review and getting experience for 1985, we have decided to continue accelerating the movement to build "youth neighborhoods." We believe that in 1986 the neighborhoods in the 6th Precinct of Ho Chi Minh City will obtain greater results, get more profound experiences, and contribute to stepping up the youth's work in one of the more complicated areas today--the streets in our neighborhoods.

5598
CSO: 4209/558

GEOLOGIST COMMENTS ON NEW MANAGEMENT MECHANISM

Paris DOAN KET in Vietnamese No 379, Apr 86 pp 31-33

[Article by Tran Kim Thach: "The New Mechanism Is Certain To Win"]

[Text] After the Municipal Party Committee of Ho Chi Minh City and the board of directors of the University briefed me in detail about the contents of Resolution 8, I could not avoid being amazed by of the excessively fierce dismantlement of a management mechanism to which I had tried very hard to adapt to during the past 10 years: the bureaucratic centralism-state subsidy mechanism.

Let us review the 1975-1985 period. My colleagues and I were immersed in the work of training basic geologists in a new school. The socialist system, with its manner of systematic, planned investigation and research and farsighted vision, is both new and attractive. In that working method, there is something that mixes together ideals and career, everyone and one's self. If everyone does his utmost in a self-enlightened manner, if everyone makes the maximum contribution to repay those who gave their lives and those who are still bedfast with serious war wounds, it is certain that all mechanisms are good and all accomplishments are beneficial. Therefore, at that time, we never thought of mechanisms, but were concerned with how to increase productivity, while also resolving problems in our sector that were related to society. That problem was the training of basic geologists who had both heart and ability. There was nothing else.

What Had To Come Came

After several years of teaching we noted that our students were not studious, lacked effectiveness, and did not try. Had difficult circumstances affected their lives? Perhaps. However, in comparison to the time when we were still in school the college students of today have much better conditions: they receive stipends, have a place to eat and study, and are taken many places. It may be said in the past, when we were still students, what we did not have the children of today have. One the contrary, what we had in the past has been taken from the children of today, for example the shame of a lost country and the fate of being servants. But our young friends still did not try to advance, even though they had the all-out concern of the schools and the teachers.

The first regular class I trained, which graduated from the school in the memorable year of 1980, left behind for their beloved school, where they had everything, a document which abused the teachers to the extreme and accused the school of many ugly things. When our young friends left the school they were appointed one place or another as if nothing had happened. Those who did poorly graduated, those who did well graduated, those who had a serious attitude graduated, and those who were chromic troublemakers also graduated. Were such people the spiritual and intellectual products of the new society? What allowed such a machinelike process?

After 20 years of teaching I felt bitterness arising in my soul. All of the teachers sadly reviewed their work. Clearly, it was because of a strange mechanism, in never brought about specific justices. Everything, depended on a plan sent down from above which had to be fulfilled at all costs.

Responsibility and rights do not differ. People who failed to fulfill their mission needed only write a few lines of self-criticism and then continued to commit mistakes. The lectures never changed and nothing ever happened because rights were assured by the collective, while the governmental administration never had an opinion that could be called persuasive. If a mistake were made in a lecture and the students corrected it themselves, that was good, but if it could not be corrected no one accepted responsibility. The teachers and students didn't feel that intellectual progress was necessary, and that it didn't matter whether what one knew was new or old, and once they started their careers the state would take care of their expenses no matter whether there was a profit or a loss. A very troublesome experience for us was that the tendency at that time was to use Binh Long limestone, which our school discovered with the assistance of Military Region 7, instead of Ha Tien limestone for the eastern region, for no matter how much it cost the state would make up the deficit! Because of the discontent of people who were not abreast of the times, such as myself, the explanation was like a law: the strength of the socialist economy was its unlimited ability to make up for deficits, so we would always be victorious!

There were research topics which required practically no, or very small, expenditures, but were allocated funds so large that they made are dizzy. I believed that I had always thought like a small producer and was overwhelmed when he saw a large amount of capital. But although I explained the situation to myself in that manner I was still perplexed. At a higher level, enormous sums were improved for many projects, but the people managing them did not have a corresponding stature, and even had to study many additional years before understanding them. Meanwhile, people who were fully qualified and could have brought about results more rapidly with little or no expense were not used. The explanation was simple: the funds were transferred to a functional organ and the functional organ transferred them to an employee of the organ. That was all! But if that were true, why set up high-level training sectors for the nation, since anyone could do anything?

Those hard-to-fathom matters, which gave me a headache every day, added to increasingly difficult living conditions, which gave me heartache every night, caused our work productivity to decline and our concentration to wander.

After the research projects, which achieved no results, sumptuous receptions were held, which caused us to be even more perplexed. When news of such things reached the school and were noted by the students, they caused them to think, to be miserable, and to be disgusted.

Reversing the Situation

One day I heard the following opinion expressed in a large conference: we had a mechanism which could not be understood and could not be endured. That was light shining from the other end of the tunnel: the problem was not people, not the regime, and not harsh conditions, but the management mechanism. Then resolutions 6 and 7 of the Party Central Committee were issued. They were truly penetrating, and each word and sentence in them accurately evaluated the situation and consequences of the bureaucratic centralism-state subsidy mechanism, to which I had never paid much attention. Of course, there is an appropriate time for all mechanisms. During the period of anti-U.S. resistance for national salvation the subsidy system was appropriate. Unfortunately, it was continued after the war. As I stated above, if all of us work as if worked as the vanguard warriors, the "troops of Uncle Ho," did in the past, perhaps the subsidy system would not do much harm. Perhaps it is mankind's finest mechanism. But that is nonsense. Because peacetime psychology differs from that of the past, there must be a different style of management, with very specific responsibilities and very specific people. The truth is that that specific responsibility in peacetime is economic responsibility, the consequences of which are nothing other than quality, productivity, and effectiveness.

If basic geology were placed in such a mechanism, the situation would have been reversed. From teaching for the sake of teaching and studying for the sake of studying, now we had to teach for society and for everyone, and our students also had to study for everyone. In the past that "red" concept was talked about a good deal in the school, but was only talked about and not put into practice, for whether it was put into practice or not made little difference. Sometimes when one practices what one preaches one encounters difficulties. I went all-out to create the training model assigned me by the school: combining teaching and study with labor according to sectors and trades, and with scientific experimentation and research, a model which prepared people for resolutions 6, 7, and 8, which began in 1976 but seldom been easy. Now I understand that the difficulty was that I trained people to oppose bureaucratic centralism and state subsidies, people who are self-reliant and contributed concretely to society. It is a source of happiness in my research life when I see a kernel of truth in the muddle of social problems.

Thus Resolution 8 will help us train high-quality students who, when they begin work, have a sense of responsibility and work with discipline and discipline. Thus Resolution 8 will also help us sort our students while they are still in school. We are allowed to transfer at an early date young people who are incapable and do not have the moral qualities necessary for their trade. As a result, they will be less unhappy, the school's burden will be reduced, and society will not be harmed in the future. I think that that is rational and should be carried out. It is certain that the school will agree not to continually encourage students to exert themselves in study, but will take steps to promptly, correctly, and specifically reward or punish them, in order to select cadres for society, and will no longer engage in self-promotion and chat around cups of tea to attain a 100-percent advanced worker and Warrior of Emulation rating, while productivity does not increase, quality steadily declines, more and more difficulties are encountered in life, and negative phenomena continue to develop, which is a crime against the people and the nation. I've heard that scholarships will be used as economic levers. That method is very promising. But could it be thought that scholarships inspire promising young people? How could there be economic levers in schools, in courts, or in the army? People who do not have the expectation of becoming socialist intellectuals in the future cannot allow society to continue to assist them forever.

It is certain that in the course of implementing Resolution 8 difficulties will continue to be encountered, as foreseen by the Central Committee. That is a profound improvement which affects everyone, so much energy must be expended to implement it and the implementation period must be long. But the new mechanism is certain to succeed.

5616
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SAIGON ON PEOPLE'S PARTICIPATION

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 21 Mar 86 pp 1, 4

[Article: "Insure That the People Truly Participate in the State's Affairs"]

[Text] We attentively followed part three of the political report of the CPSU Central Committee presented by Comrade Gorbachev at the 27th Party Congress (broadcast on TV network and published in full in SAIGON GIAI PHONG on 2 March 1986).

To us, the persuasiveness of the propositions expressed in the speech was that the Soviet party and state truly care for the welfare of the working people. By all means they have motivated the public to take part in state management, and the political activities of the country. "Management cannot be the privilege of a small professional group of persons...only when the people, in fact, manage their own work, and only when millions of people truly participate in the political life, will the socialist system grow prosperously. Comrade Gorbachev affirmed this at the party congress.

In fact, the inducement for the public to take part in state management has been taken into account seriously by the socialist countries, including ours. Lenin once wrote: "With us a strong nation is derived from mass consciousness. The state is strong only when the masses know everything, when they are able to evaluate everything and then act consciously." Beloved Uncle Ho also affirmed: "Socialism can only be built on the complete awareness and the creative work of millions of people." This is the vital problem demonstrating the nature of the democratic socialist system; it can be seen as the healthful and clear atmosphere necessary for the growth of the socialist body, and corresponds to what Comrade Gorbachev said.

But in practice, the problem is not simple. We think that, on one hand, the state must have legal regulations for the people's participation in state affairs. On the other hand, it is necessary to set up conditions for participation to be true and not for show. We still have some shortcomings in these two aspects. In our country, the systematization of the regime--consisting of: the party is the leader; the people are owners; the state is the manager--was established at General Congress 4, but we notice that it has not made much progress. Many legal regulations prescribed in the constitution as well as in the laws, decrees, and judicial documents said that the power of the state belongs to the public, and the people execute their power through the national assembly and the people's council of all echelons. This is very clear and has been realized in practice.

But the role of the masses in and their participation through the various mass associations and social organizations are still obviously limited, because there were workers who got fired without being passed through the verification of the discipline council in which the role of the Labor Federation was especially important.

Our state also fully recognized the economic and social rights and the freedom and dignity of the workers. But in some places these rights have not been applied by basic level organizations. We will only mention the people's right to complain and of denunciation. Having determined that in carrying out this right, the masses are practicing supervision from the lower to the upper levels by verifying and discovering the wrongdoings of cadres, of state offices and protecting the legal rights of the people, why then do we still have complaints being given the run-around and have cases that have not been solved for 3 or 4 years, and sometimes have been hushed up. A number of workers bravely denounced the illegal actions of their directors, but cautiously remarked in the footnote "Please comrade, keep our names secret for fear of the retaliation of our directors."

In real life we saw many cadres and party members violate the law and transgress the ethical code. These violations originated from bureaucratic habits, isolation from the masses, lack of serious criticism and self-criticism, considering their positions and power as their privilege and private ownership psychology. Therefore, we strongly admired the Soviet Union's PRAVDA reports of the cases of Srashidov, the former first secretary of Uzbekistan, and Xkhubeisvili, former first secretary of Grudia, who broke the law and covered up for criminals. In Tadzhikistan, in the last 4 years, 37 leading cadres were dismissed for making serious mistakes in leadership, in economic management and in the execution of the law.

We think that these should absolutely not be seen as thoughtless revelations nor should we fear being taken advantage of by the enemy. These acts purify society and the state machine. Lenin said: minor violations of the law are minor deterioration of Soviet order provide the opening of which the enemies of the working people will be quick to take advantage. In other words, the enemy takes advantage of our crimes and not of their punishment.

Our party has frankly acknowledged an unusual fact, i.e., published laws of all kinds have not been executed seriously and the worst is that they have never been put into practice (Resolution of the Fifth Congress). This weakened the leadership role of the party (the party line is the soul of the law), the management effectiveness of the state was reduced, and made the collective ownership right of the working people uncertain. There is no shortage of laws in our country but the problem is: Have these laws been executed seriously or not? Certainly in the economic field the laws are very outdated. Many regulations become barriers, therefore economic laws must be updated and they cannot be forgotten in the renovation of the current economic management system.

In setting up the self-criticism and criticism sessions among the party members and the leading cadres of all services and of all echelons, preparatory to all levels of party congresses, in accordance with the directive of the Secretariat of the CPV Central Committee, we petition that true guarantees and implementation of the workers rights, law enforcement attitudes, and state of law enforcement be included in the agenda for review. Our party also said: "Maintaining the party discipline, executing the laws of the state are two obligations for every party member, and there is no exception (Resolution of the Fifth Party Congress)." Only this can establish bases for the party and the state to achieve their most important duty that is: "Ensure the right and legal interest of the citizens and attract them to participate in state affairs. At the same time, wherever they are, they should feel "safe and cared for by the state against violation of their rights and believe that every lawbreaker would be fairly punished." (Gorbachev)

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READERS EXPRESS OPINIONS ON PARTY MEMBER DEFICIENCIES

Hanoi NHAN DAN in Vietnamese 12 May 86 p 3

[Party Building column: "Opinions on the Self-Criticism and Criticism Campaign"]

[Text] The prestige of the party has declined as a direct result of a number of negative phenomena on the part of cadres. The opinions of the people must be solicited in order to build the party. If mistakes are made they must be corrected. For example, if children and relatives have been brought into an organ and added to its rolls they must be dismissed. People who have been sent abroad improperly must be recalled. The mass must be encouraged to monitor cadres and evaluate merit, crimes, and right and wrong. Degeneration and negativeness on the part of some cadres must be overcome if relations between the party and the masses are to be closer. At present some installations are not carrying out self-criticism well. I recommend that the Central Committee take steps to overcome those problems that are in accord with the desires of the people.

Ho Thanh Pham
(Trung Hai Village, Ben Hai
District, Binh Tri Thien)

The party leadership cadres should deeply and incisively review and criticize their economic-social leadership, especially their leadership of plan implementation. In Resolution 8 of the Party Central Committee (fifth term) the party leadership is concerned with economics and national defense, but it must be concerned with expanding democracy in the party, pay attention to teaching cadres and party members revolutionary virtue, and continually oppose bureaucratism.

Ngo Long
Retired Army Captain
Nha Trang (Phu Khanh)

It is necessary to motivate the masses to struggle against negativism, recover all property resulting from the illegal livelihood of a number of cadres, and resolutely punish obstinate people. Experience has shown that when a mistake is made it must be thoroughly corrected, from the central level down to the basic level, if the people's confidence is to be strengthened. I recommend that the Party Central Committee closely lead the self-criticism and control campaign, and apply strict discipline.

Pham Van Ngai
(Cadre active in the
revolution prior to 1945,
Phung Cong Village, Chau
Giang District, Hai Hung)

The people always have confidence in the party, but fault it for allowing a number of bad people to remain in state organs too long, which weaken the prestige of the party and creates difficulties for the people. I recommend that all cadres and party members who are degenerate, lack sincerity toward the party, take advantage of their authority, are corrupt, and sneak state goods to the outside be purged, so that after the Sixth Party Congress, in addition to fully utilizing land and labor to produce much labor, the negative phenomena can be overcome and the party's stands and policies can be strictly implemented, so that the people can have more confidence and be more enthusiastic.

Vu Dinh Uyen
(Collective housing area of the
Hanoi Construction College)

We are carrying out the construction of socialism under extremely difficult circumstances after having emerged from a fierce war. It is necessary to mobilize determination, confidence, and enthusiasm for production labor and economizing on the part of the entire population. But some cadres and party members who are corrupt, accept bribes, speculate, and engage in blackmarketing, have weakened the confidence of the people and their enthusiasm for labor.

A deep and incisive criticism and self-criticism campaign, combined with specific and real corrective measures and revealing the incomes of cadres and party members, would manifest determination to build a pure, strong party.

During a regular meeting of the Thanh Cong subprecinct Fatherland Front Committee on the afternoon of 6 May 1986 we unanimously applauded the opinions on that matter published in the newspaper NHAN DAN.

We think that that is an important and necessary matter which only fear will that something will be left out, not that it is wrong, and the good results have not yet been realized.

Nguyen Trong Dy
(On behalf of the Standing Committee of
the Vietnam Fatherland Front Committee,
Thanh Cong Subward, Ba Dinh Ward, Hanoi)

People who are concerned with the present political activity of the party were enthusiastic when they read in the 30 April 1986 issue of NHAN DAN an article about the Thach Hoa District Party Committee (Ha Tinh) was carrying out criticism and self-criticism combined with the overcoming of deficiencies. We think that that is the party spirit and is indicative of a strong party organization that dares look squarely at mistakes and deficiencies and find ways to correct them. As regards our locality, there have been some cadres who during the past several years have abused their authority and shortcomings of the state to do improper things.

We believe that such incidences should be strictly analyzed during criticism and self-criticism in order to strengthen the confidence of the people and promote the revolutionary movement of the masses.

Trong Nguyen
(Hai Hung)

At present, a self-criticism and criticism campaign is being carried out in the party to develop the good points and overcome the deficiencies and negative manifestations. The party newspaper has printed excerpts from the Resolution of the Fifth Party Congress and the teachings of President Ho on the qualities and style of party members and cadres. As party members who are active in basic-level organizations, we feel that that fulfilled the aspirations, wishes, and desires of the popular masses. We also feel that the social negativisms, especially those that have spilled over from the economic sectors to the social service sectors, and degeneracy, will never expose themselves but must be resolved by mens of resolute, strict measures.

We also still note that negative phenomena and degeneration on the part of some people working in the real estate management and allocation sector and in the employment and organization sector. In those sectors some people have openly demanded bribes, bullied the masses, caused much red tape, caused the people to lose much time in travel, and caused people to incur many expenses and losses. They abuse their authority to steal state property to make deals or exchange for their individual benefit, thus causing social injustice. Therefore, we agree that party members and cadres must make clear the sources of their income that of their families so that their moral quality and style can be examined. But we feel that it is necessary to motivate the masses to truly struggle and supervise, and not merely deal with such incidents internally and cover up for one another. The degenerate cadres must be dealt with sternly and property they obtained illegally must be confiscated. The people with investigatory competence people with investigatory competence at all levels must be people with good moral quality and ability, who are diligent, honest, impartial, brave, and loyal.

NGUYEN DINH
(Le Hong Phong Subward,
City of Thai Binh)

5616
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HO CHI MINH CITY SAID TO RESOLVE RAW MATERIALS PROBLEM

Hanoi NHAN DAN in Vietnamese 13 May 86 p 1

[Article: "Ho Chi Minh City Quickly Resolves Problem of Raw Materials and Materials for the Production of Consumer and Export Goods"]

[Text] On 9 May the People's Committee of Ho Chi Minh City held its fourth session, evaluated the implementation of the economic-social plan for the first quarter, and set forth an action program for the period between now and the end of the year.

During the first quarter of this year, due to shortcomings and deficiencies in the implementation of Resolution 8, Ho Chi Minh City encountered many difficulties in production, distribution, circulation, and prices. The living conditions of cadres, workers, civil servants, and members of the armed forces were unstable. Even so, the city made all-out efforts, and carried out many urgent, positive measures to resolve problems in production, distribution, and circulation, reorganize socialist commerce, and provide jobs for workers. The city, along with the provinces in the region, made all-out efforts to coordinate in doing a better job of implementing Resolution 8 of the Central Committee and Resolution 28 of the Central Committee and Resolution 28 of the Political Bureau endeavored to regain the initiative in controlling goods and money.

The industrial and small industry-handicrafts production installations in the city mobilized warehoused materials, regulated materials, and imported raw materials to fulfill the quarterly plan. In 1985 only 12 industrial enterprises and two precinct and district enterprises tried lowering production costs, but now dozens of installations are positively applying technical advances, rationalizing the production lines, opposing waste, lowering materials depletion norms, and endeavoring to lower production costs.

The foreign trade sector underwent a number of initial transformations in opposing competition in buying and selling and applied legal measures to deal with export units which distribute imported consumer goods internally at low prices. Materials and raw materials to serve second-quarter production are being imported to meet the needs of production.

Thirteen of a total of 18 precincts and districts have set up general technical education and vocational guidance centers which are attended by 30,000 students. Jobs have been provided for nearly 4,500 workers in the small industry-handicrafts and service sectors.

During the second quarter, with a spirit of reorganizing and increasing industrial production, small industry and handicrafts, agriculture, forestry, fishing, and communications-transportation, the city will positively streamline the administrative apparata of the sector services and sections (a reduction of 30 percent by the end of the year), reorganize production of the textile, ready-made clothing, plastic, rubber, artistic goods, shoes, earthenware and porcelain, and glass sectors by economic-technical sector. It will promptly provide raw materials and materials for production, especially the production of consumer and export goods. The Export-Import General Corporation, along with the Planning Commission and and the industrial, banking, and foreign trade services, have established a mechanism for repaying and borrowing foreign capital in order to accelerate production. The city is guiding a number of economic installations and enterprises in mobilizing capital in order to use equipment, machinery, and materials sent by Vietnamese living abroad to serve production. Implementing unified management of contracting in the spirit of the Council of Ministers resolution, the city is preparing conditions for producing hats, shoes, and clothing, and processing agricultural products, etc., on contract for the socialist countries. It is implementing a policy to rapidly develop hogs and develop the areas raising blue shrimp. The commercial sector is positively grasping the local sources of industrial goods to exchange with other provinces for agricultural products, foodstuffs, and raw materials to supply to the industrial and small industry-handicrafts sector and contribute to ensuring two meals a day for workers.

5616
CSO: 4209/584

HO CHI MINH CITY UNITS PARTICIPATE IN INSURANCE

Hanoi NHAN DAN in Vietnamese 23 May 86 pp 1, 4

[Article: "In Ho Chi Minh City Thousands of Units Participate in Insurance Work"]

[Text] Ho Chi Minh City is expanding the labor insurance work within the sphere of the city in order to help workers prevent and overcome accidents that occur during the work process.

In addition to the types of insurance reserved for the organs, such as export-import goods insurance, ship and ship-owner's liability insurance, and land and air transportation facilities insurance, there is traffic accident insurance, students' insurance, and recently labor insurance.

At present 2,240 transportation units with more than 24,000 motor vehicles, ships, and boats are participating in insurance. On the average, every year the insurance branch pays out 60 percent of the total amount of insurance money it collects. Tens of schools with nearly 566,000 students, 70 percent of the total number of students in the city, are participating in insurance. The insurance branch sets aside five to ten percent of its total income to spend on preventing student accidents.

Although the labor insurance work has only just begun, more than 30 units are participating. Five percent of the total income is used to, along with the units, prevent and limit labor accidents.

5616
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IRRATIONALITIES IN PRICE STRUCTURE DISCUSSED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 15 Apr 85 pp 1, 4

[Article by "V.H.L.": "Irrationalities in the Prices of Materials and Industrial Products"]

[Text] Stabilizing the prices of materials and products is a foremost goal which the Party, the state, and the economic managers from the central level down to the local level are concentrating on attaining. It is a major problem which requires the contributions of many echelons and of all working people. This article brings together a number of matters and presents opinions, in order to contribute to those efforts.

Many people say that during the recent period those engaged in export-import work have not gone a single day without using the word "pepper" at least once. "Three quintals of pepper, one automobile!" The price that is offered has caused many people to rush to exploit that product, and has caused a familiar, ordinary spice in the daily diets of all families to become a "luxury."

A comrade in the Municipal Price Commission complained that "the phenomenon of rushing to produce pepper for export is a special characteristic of the present situation of disorganized importing and exporting, affects the worker-peasant relationship, directly influences agricultural and industrial production, and destabilizes market prices."

From the Path of Export-Import Joint Operation...

In view of the situation of the state experiencing increasing difficulty in supplying materials, during the recent period the path of joint operations in exporting and importing has opened the way for many enterprises to balance their own plans, resolve some of their difficulties and bottlenecks, and advance to developing production and improve the workers' living conditions. Although it is applied in many different forms, in general that mode is still for an enterprise to borrow foreign exchange (domestically or abroad) in order to import raw materials (or borrow products or raw materials) with which to produce products, then works through an export-import unit (at the central, municipal, or provincial level) to exchange goods with the peasants, purchase agricultural products for export, and recreate foreign exchange. That is an inevitable course for enterprises which must balance their own plans and use imported materials, but which cannot directly export their products, including such initial units as the Thanh Cong Textile Mill and the Soap Powder Corporation of the South, and such enterprises as the Phuong Long Textile Mill, Textile Mill No 3, the Coffee Cream enterprise, the Artistic Goods enterprise, the Binh Tay thermos enterprise, etc. Clearly, by means of that mode agricultural production is directly affected by agricultural production in our country and the situation of the world agricultural commodities market.

According to the exporters-importers, recently the world agricultural commodities market has been truly bad. We have had to lower the prices of our principal agricultural products, such as mung beans, peanuts, soybeans, cashews, etc., by 10 to 30 percent. The export price of coconut oil has declined by nearly 50 percent in comparison to last year and by more than 400 percent in comparison to the 1983-1984 period. In order to earn one dollar, on the average the export-import organs must exchange agricultural products worth about 200 Vietnamese dong.

Meanwhile, the continuous decline of the value of the dollar in comparison to the Japanese yen has caused the prices of materials and goods imported from Japan to increase by an average of about 30 percent. The Soap Powder Corporation of the South has lost hundreds of thousands of dollars because of the increased value of the yen.

The situation has not remained at that level but has continued to develop in a manner increasingly unfavorable for the industrial production units in our country. What can be done to ensure the production costs of products, ensure that products can be marketed, create a rapid capital turnover, and recreate foreign exchange? Those are difficult problems which often surpass the capability of the units and enterprises to resolve them.

To the Enterprises Which Are Supplied Materials and Use Domestic Raw Materials

Meanwhile, in many enterprises which are supplied raw materials by the state and use domestic raw materials, the situation is no more "cozy." The answer to the great concern at present is that production costs are being recalculated in order to request a review of industrial wholesale prices. Although the principal materials of the MSG and instant noodles enterprise federation are supplied by the state, the increase in the prices of domestic raw materials has been sufficient to cause financial ruin if it continues to sell products at prices set by the state. Tapioca powder purchased in Tay Ninh cost 3.15 dong per kilo on 1 October 1985 but its price has increased to 8.75 dong. Thus, added to transportation costs, for each ton of MSG produced it is necessary to spend 30,780 additional dong for tapioca powder. The price of activated charcoal is fixed at 36 dong per kilogram, but because the state does not provide enough the enterprise must contact other units and buy additional amounts at the price of 51.75 dong per kilo. The price of sugar residue, which had been 0.75 dong per kilo, increased to 2.25 dong after 15 March 1986. In general, in comparison to prices as of 1 October 1985, total expenditures for raw materials and materials have increased by 37,970 additional dong for each ton of MSG.

At the electrical Machinery Combine Enterprise, this year's state plan calls for the production of 45,000 fans of all kinds. Therefore, since the first of this year the enterprise has seldom had to run around looking for materials, as in past years. But when we asked about product prices the answer was "we are waiting for the prices to be approved." Many types of materials are not supplied, so the enterprise must form alliances with the other units to purchase such products as ball bearings at prices of from 100 to 200 dong per unit, while the stipulated price is 16 dong. It buys electronic condensers at prices of 150 dong to 200 dong each, while the stipulated price is 80 dong. It buys paint at 250 dong to 400 dong per kilo while the stipulated price is 41.6 dong, etc. Assembly costs have also doubled or tripled. Plastic domes for ceiling fans with lights were previously only 6.1 dong each, but the price has risen to 26 dong.

In response to our question, "Are materials supplied in accordance with regulations, i.e. completely, in the correct quantity, of the correct quality, on time, and at the right place?" The director of the Electrical machinery Enterprise Combine smilingly replied, " We are very fortunate if only 70 percent of the norms are fulfilled, and if we are informed that a certain materials has arrived and that we can go to pick it up, we are very happy." Since the first of this year the enterprise has had to pick up goods in Hanoi, Hai Phong, etc. In addition to transportation fee of 1.5 dong per ton per kilometer charged by the materials sector, the enterprise must pay an average of 200 dong per ton for "en route" expenses, cargo handling,etc. That does not include the expense of renting a forklift, at a cost of about 10,000 dong per 100 tons of goods, to use at the supply depot so that the materials may be obtained promptly.

Of course, the enterprise can wait to pick up the goods in Ho Chi Minh City, but the workers would have to be unemployed for several additional months. Because of such complications and expenses, the production cost of an electric fan has increased 30 percent. Many workers at the enterprise have told many "hilarious" stories about the receiving of materials. Ordinarily, the various kinds of steel and silicon sheets are packaged in original crates, with steel reinforced wooden pallets on the tops and bottoms so that they can easily be lifted by forklifts. But at a warehouse of the Municipal Combined Materials Corporation those pallets had been removed. The workers could not use a forklift and had to use manpower to lift each sheet onto the truck. Merely because of pallets worth 100 to 200 dong each, the enterprise incurred many irrational expenses."

Increases in the prices of domestic materials have also concerned the managers of the Soap Powder Corporation of the South. In addition to me than 12,000 tons for which it had to obtain its own materials the corporation (including the Vietnam Soap Enterprise) also produces 4,000 to 5,000 tons of bath soap and laundry soap every year from coconut oil. The state price of oil is 23.5 to 24 dong per kilo, but at present the corporation must buy vegetable oil from the enterprise federation at the price of 32.082 dong per kilo! It went to make a deal directly with the units in Ben Tre Province at the price of one coconut equaling one kilo of top quality rice. Thus calculated at the average price of 3.6 to 4.2 coconuts equaling one kilo of copra and one kilo of copra having an average oil content of 55 to 57 percent, the price of one kilo of coconut oil corresponded to between seven and eight kilos of top quality rice, the price was even higher than that charged by the vegetable oil sector. Meanwhile, the price set for manufactured soap did not exceed 24 dong per kilo, which was only two-third to three-fourths of the actual production cost. So how how could the corporation produce and do business stably and profitably?

It may be said that it is very difficult to find a material or raw material the market price of which remains stable. Prior to the lunar new year the price of scrap aluminum was 50 dong per kilo, but it has since risen to 120 per kilo. The price of scrap rubber has increased from 65 dong to 70 dong per kilo. The price of glass shards has increased from five dong to six dong per kilo (good quality shards sell for eight dong per kilo). Even a milk can sold as scrap costs three dong.

They Dare Not "Pay The Price" But the Price They Pay Will Be Was Much Greater

Nowadays many directors make the observation that "We are accustomed to living with a bureaucratic-subsidizing mechanism that is heavily characterized by conservatism and sluggishness, so we do not dare 'pay the price' for the innovations and dare not boldly replace policies and systems that are old and outmoded. But the price that must be paid today is much larger than that price that we dare not pay! And it is inevitable that we bear its consequences."

Against the unwholesome background of the domestic and foreign markets, and in view of the situation of the state not providing sufficient materials and raw materials for production, it is difficult to maintain the 40 dong per dollar exchange rate that has been fixed. Furthermore, the established prices of 25 dong per kilo of soap powder, 18 dong per kilo of liquid detergent, 80 dong per kilo of liquid detergent, 80 dong per meter of oxford cloth, 12 dong per can of milk, 35 dong per meter of muslin cloth, 22 dong per kilo of RE sugar, 18 dong per kilo of RS sugar, 112.56 dong per kilo of solid MSG, 93.8 dong per kilo of powdered MSG, 7.5 dong per bottle of beer, etc., are thus only subjective desires which cannot be attained if the situation of materials and raw materials continues to develop as it is now.

The enterprises which import their own materials must, in order to ensure the reproduction of foreign exchange, draft a production cost schedule with two parts: foreign exchange and Vietnamese currency. Foreign exchange is used to import materials and Vietnamese money is used to meet expenses for salaries, depreciation, chemicals, and secondary materials produced locally. For example, one meter of muslin cloth costs 0.47 dollar plus 20 Vietnamese dong, one kilo of soap powder costs 0.50 dollar plus 9 Vietnamese dong etc.

On 9 April 1986 we visited a number of restaurants and the Ben Thanh, An Dong, Binh Tay, Tan Binh, and Ba Chieu markets. Indeed, the prices of industrial goods had risen to levels which were on the average four or five higher than the industrial wholesale price. The price of canned milk varied from 46 to 49 dong per can. The price of Viso soap powder varied from 56 dong to 62 dong per kilo. White refined sugar was 55 or 56 dong per kilo. Powdered MSG was 420 to 440 dong per kilo. Hoc Mon bicycle tires were 75 to 80 dong each. Plastic washbasins with a diameter of 34 centimeters were priced at between 90 and 100 dong each. A sufficient quantity of 1.4 meter-wide polyester cloth to make a pair of plants cost 145 dong. PS toothpaste cost 40 to 42 dong per tube, "50" beer cost 35 to 40 dong per bottle, Bach Tuyet paint cost more than 400 dong per kilo, etc.

With that mode, in name the units still ensure that their prices are equal to or lower than the stipulated prices. In fact at present, if they were told to convert their prices into Vietnamese money they would be very confused and would not know how to set so they would not suffer losses and so that the prices would be accepted by purchasers. Thus in fact those products produced on the unit's initiative produced on the unit's initiative are only used to exchange or to sell for foreign exchange.

That has resulted in the "reluctant." The sundry goods corporations and the service corporations rush to deal in export-import materials, silk thread, construction materials, detergent, agricultural products, etc., in order to create a fund of goods to exchange for items they need. That has resulted in the materials and products taking negative, round-about, bizarre routes. The director of a textile enterprise told me that before a shipment of materials arrived, so that the workers could have work he purchased 15 tons of yarn from a precinct saves corporation. The service corporation had obtained the yarn from a unit of the labor sector, which had obtained it from an organ in Vung Tau. Because the yarn had passed through many intermediaries he had to pay the price of 700 Vietnamese dong per kilo of yarn (in comparison to the exchange price of imported yarn, he had to pay more than 200 Vietnamese dong per dollar). Thus the production cost of a meter of muslin cloth increased to 85 dong.

Ordinarily, materials imported by export-import organs are turned over to units with exchange goods, which in turn them over to a unit with other exchange goods. sometimes materials must pass through several "exchanges" before reaching the production installations. Then the production installations produce products and deliver them to other units in provinces and districts with foreign exchange or materials to exchange, to be used to exchange for peasants' agricultural products. Therefore, is was not surprising when it was said that a meter of cloth, a can of milk, a can of beer, a kilo of soap powder, etc., travels from the production installation in Ho Chi Minh City to Vung Tau, then to a precinct or district in the municipality, then to a district or city in western Nam Bo, then is taken by merchants back to the city. Like a "snowball," which grows bigger and bigger, the prices of such products become increasingly high as they pass along their circuitous routes.

A leadership cadre of a precinct sundry goods store lamented that "We do not want to deal in materials or buy agricultural products for export. But if we do not do so we can have no goods to sell to the people. Something that concerns us is that if we sell goods lower than the foreign exchange replacement ratio of Vietnamese money via agricultural products exports we suffer a loss, but if we sell them at higher prices we will violate price discipline and create additional difficulties in the lives of people with fixed incomes.

But the very increase of production expenses and product prices, added to the tardiness in resolving problems of the management mechanism, has affected the marketing of products, slowed down the capital turnover cycle, and slowed down production. Millions of meters of muslin cloth and thousands of tons of soap powder still cannot be marketed, and hundreds of tons of soap, many kinds of electric fans, sewing machines, bicycles, etc., are in warehouses awaiting price approvals.

People Who Directly Produce Wealth Do Not Benefit From Price Increases

Anyone who visited the districts outside the city and the provinces in western Nam Bo during the recent Tet period would have noted that the peasants had a much "poorer" Tet, and recently their faces have been much less happy. The prices of agricultural products have increased but the peasants have not benefited much although they have had to pay much more for agricultural production materials and consumer goods.

A leadership cadre in the Municipal Economic Cooperation Board said that the peasants in the villages and districts of Hau Giang sell live hogs to the state at a price of only 14 or 15 dong per kilo, but by the time they reach Can Tho the price increases to 24 or 25 dong, and when they reach the Ho Chi Minh market the price increases to 50 dong. The leadership cadres of the Vegetable Oil Enterprise Federation said that a coconut must pass through 11 intermediate steps between the peasant and processing, and is many times taxes and subjected to state income taxes. A comrade in the sugarcane sector also lamented that "In fact, we have already 'coerced' peasants too much." After 1 October 1985 the state purchase price of a ton of sugarcane increased to 260 dong, while the transportation cost from Tay Ninh to the Binh Duong sugar mill, a distance of about 150 kilometers, is 290 dong per ton of sugarcane. but that price is not yet sufficient, for in order to produce a kilo of RE sugar the sugarcane growers must be paid five to six dong for sugarcane raw materials. Clearly, the middlemen and the merchants have made excessive profits at the expense of the agriculture producers, which has contributed to the increase in price.

Like the peasants, the salaries of workers in the enterprises, except for cost of living supplements, have not changed even though the prices of manufactured goods have increased. The social security, medicine, labor protection, transportation, and other payments remain unchanged. The ratio of labor expenses in the production costs of products. Because of the great increase in prices, the incomes of workers are at present insufficient to reproduce simple labor.

Opinion of People Who Produce Material Wealth

Something that is very encouraging is that recently, in the course of activities and study regarding the resolutions and directives of the central echelon and the municipality, people who directly produce material wealth have boldly spoken up. We have below presented the principal opinions that were collected regarding industrial production and prices.

First of all, it is necessary to rapidly rectify exporting and importing in the spirit of Resolution 31 of the Political Bureau and to strictly forbid the unauthorized organs to deal in exporting and importing, in order to bring an immediate end to competition in buying and selling, which upsets market prices. The industrial production sectors may only export products they produce, and may only import raw materials, materials, equipment, and machinery relevant to their sector, and may not purchase agricultural products for export or deal in imported materials. It is necessary to zone purchasing areas according to the principle of specialized sector management combined with territorial areas.

Second, the state must have a state purchasing price policy that encourages the growing of industrial crops and especially agricultural products for export. It must stipulate that part of the foreign exchange that is earned be used for investment in export crops and must have a long-range plan for the areas growing industrial raw materials. Outside the products produced with investment capital, in accordance with the price ratios of exchange goods, the peasants are allowed to sell their products at negotiated prices. It may be said that the state has invested little in sugarcane, coconuts, tobacco, pineapples, etc.

Third, the state must have an appropriate policy toward the export goods and the essential goods relevant to production and life, in order to ensure stable price guidelines. The economic units and localities are authorized to set prices for the other goods and for goods produced from materials and raw materials not supplied by the state.

Fourth, it is necessary to improve the system of collecting state taxes according to production cost ratios and taxing a product many times (if that product is the result of the production of many units). It is irrational to place a state tax of 20 percent on MSG and bath soap. The state could abolish the stipulations regarding enterprise wholesale prices and replace the state tax system with other appropriate kind of taxes.

Fifth, the present system of distributing profits based on production cost ratios is no longer appropriate. It must be improved along the lines of encouraging the enterprises to apply technical advances, increasing productivity, economizing, and lowering production costs. There must be no restrictions on setting up production development funds, bonus funds, and welfare funds, in order to rationally improve the lives of people who produce material wealth.

The matter of improving the prices of the materials and products of the industrial production sector is a difficult problem that must be resolved urgently, rationally, and fully, in order to attain the goals of developing production and stabilizing living conditions.

5616
CSO: 4209/576

READER COMPLAINS ABOUT CONSIGNMENT SALES STALL

Hanoi NHAN DAN in Vietnamese 24 Apr 86 p 2

[Letters From Readers column: "Consignment Stall Sells Goods Arbitrarily"]

[Text] The "consignment" stall in the state commercial store in my subward attracts a rather large number of customers, for there are found there many new and scarce products which are sold there on a consignment basis by families which have no need for them. But the method of selling goods there is still arbitrary and does not yet conform to the system of socialist commerce.

Some sales clerks who accept watches from many families of cadres and workers post rather high prices, with the goal of earning profits of 150 to 200 dong per watch. Meanwhile, watches sent there by "factions" are sold at lower prices and at a lower profit level. Within only a few days dozens of watches belonging to the "factions" sell briskly and the sales clerks also "take their cut." As for the watches of our families, the store sets prices too high so they do not sell well, but lay there unsold for long periods of time.

Le Van Lang
(Hai Phong)

5616
CSO: 4209/554

INCREASED PURCHASING OF FARM PRODUCTS PER CONTRACT URGED

Hanoi NHAN DAN in Vietnamese 24 Apr 86 p 1

[Editorial: "Expand the State Purchasing of Agricultural Products in Accordance With Economic Contracts"]

[Text] An extremely important and urgent matter at present is that on the basis of developing production our state has applied resolute, comprehensive measures and has the policy of expanding the circulation of goods and controlling many goods by means of state purchasing. In order to increasingly concentrate the sources of agricultural products in the hands of the state. In addition to collecting the full amounts of in-kind agricultural taxes and recovering old debts in kind, it is necessary to expand state purchasing in accordance with two-way economic contracts signed with the production units at the beginning of the production season. By means of such purchasing many provinces, such as Hai Hung, Nghe Tinh, Thanh Hoa, Thai Binh, Hau Giang, Nghia Binh, Dong Nai, etc., have controlled larger quantities of agricultural products than at the same time last year, stimulated the development of production, contributed to strengthening the socialist commercial forces, and struggled to stabilize prices and the market.

The scope of goods purchased by the state in accordance with two-way contracts include rice, corn, dry manioc, export agricultural products, the principal types of agricultural materials used as industrial raw materials, animal husbandry products, primarily pork, and vegetables and fruit in the food-growing belts around the municipalities and industrial zones.

The experiences of localities which have begun to do a good job of purchasing in accordance with two-way contracts is going all-out to supply to producers, in accordance with contracts, means of production, construction materials, technical services, the essential consumer goods, and part of their monetary capital, according to the legitimate and rational requirements of the producers and the actual capabilities of the state. The materials and goods covered by two-way contracts signed with the rural collective production organizations in a number of localities are balanced at the basic units, in the provinces and districts, combined with those sent down by the central level. The capabilities of the localities to set up materials and goods funds at the local level by stepping up production and expanding economic alliance and joint production relations are still very great. Doing a good job of resolving the problem of materials and goods is a basic condition for concentrating agricultural products in the hands of the state and restricting to the lowest possible level the cash purchasing of agricultural products and foodstuffs. When they have materials and goods the provinces, districts, and villages have the means for supplying and distributing them to producers who truly need them, and for avoiding the situation of purchasing and reselling so that they fall into the hands of the private merchants or speculators. The exchange of products between the state and the peasant must be centralized and in accordance with unified prices and price ratios. It is necessary to completely bring to an end the situation of many sectors with goods (such as the home trade, foreign trade, grain, and other sectors) exchanging them with peasants in the same area, and of many echelon with goods exchanging them in accordance with price ratios and prices that are not uniform. It is extremely necessary to closely manage the distribution and use of materials and goods set aside for state purchasing in accordance with two-way contracts, and instances of using such materials and goods for other things, especially selling them to earn a profit because of price disparities, must be resolutely stopped and dealt with in a timely manner. It is necessary to do a good job of organizing state purchasing that is concentrated in a few organs, to deliver materials directly to the producers, and avoid having to pass through many rungs and many unnecessary intermediate steps, which causes great waste of materials and goods, increases transportation expenses, and causes seasonal schedules and production plans not to be met.

To do a good job of purchasing agricultural products in accordance with two-way contracts is to ensure that buying and selling are tied together and to create conditions for the state to firmly grasp the production capabilities and needs, on the basis of which to promptly meet the needs for materials, goods, and services for production, guide the producers in using materials in accordance with norms, and stimulating the planned development of production, while also being properly concerned for the workers' living conditions. That is also one way to contribute importantly to stabilizing prices and market management.

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CSO: 4209/554

DONG NAI CREATES SPECIALIZED COFFEE AREA

Hanoi NHAN DAN in Vietnamese 24 Apr 86 pp 1, 4

[VNA News Release: "Dong Nai Creates 30,000-Hectare Specialized Coffee Area"]

[Text] In Dong Nai coffee is regarded as the main crop in the group of long-range industrial crops. There are nearly 10,000 hectares of coffee, of which 6,000 hectares are producing harvests. Many difficulties are still being encountered in controlling the coffee output. A number of sectors (including those with no commercial function) and the districts and villages in the province compete in buying and selling. A number of other provinces and municipalities also pool their money and goods to buy up the coffee and push prices up, but still cannot buy it. A number of cadres have abused their authority by dealing in coffee.

The province has adopted the policy of creating a 30,000-hectare specialized coffee-growing area between 1985 and 1990. The red basaltic soil, and yellow-brown reddish-brown soil over basaltic rock in the districts of Xuan Loc, Chau Thanh, Thong Nhat, Tan Phu, etc., are very suitable for coffee. During the next 5 years the coffee-growing area will double. The province plans to plant 5,000 hectares every year during the first 3 years. In order to expand its coffee area, the province has adopted the policy of collecting debts over a 3-year period: during the first year, 20 percent, and 40 percent in the second and third years. The amount of capital is very large but is highly effective. Adopting the slogan of "the state and the people working together," to ensure that the coffee area attains results the province is investing a large part of the capital in water conservancy and in fertilizer of all kinds to help the basic units expand the coffee-growing area. With regard to the form of production organization, in the immediate future the production collectives and cooperatives will be responsible for coffee production and commerce. The collectives will contract to collective and production members all aspects, from growing and tending to harvesting and delivering products. The district echelon will provide direct guidance. The provincial coffee corporation is responsible for growing coffee, supplying seedlings, and providing technical guidance. The bank will invest directly in the collectives and cooperatives, without working through intermediaries. With regard to the old coffee-growing area, other specialized corporations will be assigned responsibility for implementing two-way contracts by providing production materials (fertilizer and fuel for irrigation) in advance and collecting products at the end of the year, thus ending the situation of competition in buying and selling that agricultural product on the provincial market and ensuring that the province controls that product, so that it can both fulfill its obligation of turning over coffee to the central echelon and have coffee to export and form alliances with other localities. The province authorizes the families, organs, and units to invest capital and labor and use land to grow coffee (and pepper) for about 20 years, and encourages all units and families to fully utilize residential land and land around their houses to grow coffee and pepper. The state will supply them materials and fertilizer and collect their products, according to contracts.

5616
CSO: 4209/554

DOAN KET STATE FARM CONTRACTS COFFEE PRODUCTION

Hanoi NHAN DAN in Vietnamese 5 May 86 p 2

[Article by Van Uong: "Doan Ket State Farm Contracts Output to Workers; Fresh Coffee Bean Output Increases by More Than 350 Tons"]

[Text] The Doan Ket state farm (Krong Buc, Dac Lac), which has 1,170 cadres and workers, manages 705.9 hectares of coffee and 173 hectares of rubber. In recent years its coffee and rubber production has tended to decline. During the 1984-1985 season the state farm harvested 1,100 tons of fresh coffee berries. According to the ordinary conversion rate, 1,100 tons of fresh coffee berries will provide about 220 tons of coffee beans, but in fact only 200 tons were obtained. During the 1984-1985 coffee season the Doan Ket state farm suffered a loss of nearly 2 million dong. The principal reason was that when harvesting the workers pursued output (they stripped the trees instead of picking the berries), and harvested both ripe and green berries. Because a large area could not be protected, the state farm had to pick the berries while they were still green. Furthermore, part of the area had to be "glean" harvested or could not be harvested because the production protection work was not yet good. During the harvest the state farms coffee groves were stripped clean, which affected yields during the following season.

The output of latex was no better: 108 hectares of commercial rubber trees produced only 90 tons of dry latex and 13 tons of mixed latex. The decline in production was the reason for the development of negative phenomena.

After the 1984-1985 coffee harvest the state farm's party committee launched many activity campaigns, improved the party organizational apparatus, and improved the quality and ability of the party members. The state farm's board of directors also had the positive factor of daring to think and do. After categorizing more than 200 hectares of commercial coffee the state farm selected 12 hectares in an area near the people that was difficult to protect and had one of the lowest yields. The state farm contracted out the norm of eight tons of coffee beans. Then hillside coffee lots which were being overrun by cogon grass and coffee areas that were intermingled with those of the people, provided no harvest during the previous season, and were in danger of being eliminated were also contracted out to state farm workers. People accepting the contracting were responsible for tending and protecting the coffee trees, applying intensive cultivation measures, and increasing yields.

If they surpassed the contracted-out norm the state farm purchased their output at negotiated prices. The state farm was responsible for supplying fertilizer, for irrigating in according with technical rules, etc. Every month, after inspecting and testing their output the state farm makes salary and grain payments to the people accepting contracting out.

From trial contracting and the contracting of individual plots, the state farm gradually expanded the contracting form throughout the state farm, contracted out the entire coffee area in the commercial phase, and advanced toward contracting out and planting new trees. In 1985 the contracted-out area increased to 500 hectares. The method of resolution of overcoming the situation of operating at a deficit, as mentioned above, was supported by many cadres, party members, and workers, but there were also a considerable number of people who were opposed and thought that such contracting-out would "break up" the state farm, was not taking the workers into consideration, etc. But confident in the state farm's correct working method, which is in accord with its actual situation, the party members and leadership board of the state farm are continuing to guide, maintain, and develop the contracting out of final output to workers not only with regard to coffee but also with regard to rubber and the other sectors and trades.

A result of the 1985-1986 coffee season was that the commercial coffee area was well protected. The coffee was picked when it way was ripe, was harvested in many stages, and was harvested completely. Its 194.7 hectares of commercial coffee (20 hectares less than the 1984-1985 season because of tree felling) yielded 1,350 tons of fresh coffee berries and an estimated coffee bean yield of 280 to 300 tons. With regard to the quality of the coffee, about 10 percent was special quality, 40 percent was first quality, 30 percent was second quality, and 20 percent was third quality. All of the coffee produced in excess of the contracted norm was sold to the state farm at negotiated prices. In addition to applying the contracting from, the state farm boldly reorganized its production, reduced its indirect labor, paid attention to the lives of the workers and the emulation movements of the Youth Union, and was concerned with day-care centers, schools, etc. With the form of contracting output the workers clearly realize their benefit, so they work voluntarily, make good use of time, and use secondary family labor in production. And because of contracting the movement to compete in labor and in improving productivity, quality, and effectiveness is quite seething, many new factors have appeared, and the negative phenomena have declined.

However, problems remain in the state farm's contracting method which must be promptly overcome. The contract stipulation that contractees will receive 100 percent of the value of output beyond the norm does not reflect the actual production situation. Such production is due not only to the direct labor invested during the season but also to past labor and to other component factors. That means that it is necessary to recalculate the benefit of people who surpass the contracted norm. Furthermore, there are other incorrect points with regard to contracted norms which must be studied and adjusted so that they can be rational.

The results of the state farm's first harvest under the product contracting system has caused everyone to be enthusiastic. As of 19 February the state farm had harvested 1,450 tons of fresh coffee berries and has prospects of attaining 1,500 tons by the harvest. Even more encouraging, in the contracting process the state farm has noted shortcomings and has promptly taken steps to correct them.

5616
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LAM DONG EMPHASIZES TEA EXPORTING FOR ECONOMIC GROWTH

Hanoi NHAN DAN in Vietnamese 23 May 86 p 2

[Article by Van Du: "Tea--a Leading Export of Lam Dong"]

[Text] Prior to the revolution, the tea area in Lam Dong was largely (more than 2,000 hectares) concentrated in the plantations of the bourgeoisie. After we took power we nationalized about 1,300 hectares. At that time the total tea area in the province amounted to about 5,000 hectares, 3,767 of which were in Bao Loc. Since then the Lam Dong tea sector has continually advanced, transformed, and built, and has effectively developed its strength, regarding tea as a leading economic sector in the province.

The land and climate of Lam Dong are very suitable for the year-round development of tea.

Despite problems and difficulties, during the past 10 years the people of Lam Dong have been proud of the province's results in transforming, building, and developing tea growing and processing. Fresh tea buds total 145,035 tons, of which the state sector has accounted for 83,316 tons. Processed tea totals 33,077 tons, of which 21,185 tons, more than half of which has been black tea, has been exported. In 1976 only 1,931 tons of tea were exported but in 1985 2,560 tons were exported. By means of exports (an average of more than 2,000 tons a year), Lam Dong has imported equipment, machinery, materials fuel, and testing equipment, in order to equip, and expand the production of, the tea trade, with its increasingly greater requirements. At present the sector is urgently completing a project to expand the 19-5 and 1-5 tea factories, which will have complete production lines and other equipment, such as a humidity measuring machine and CTC cutting machines. Once those factories are in operation the sector's total capacity (six factories) will be nearly 200 tons of fresh tea buds per day.

Another strength of Lam Dong is black CTC tea for export, which in 1985 increased by 120 tons over the previous year, thus increasig the value of the commodity output. In coming years attention will be paid to fully developing that product. Since 1981 tea-growing has developed rather rapidly in Lam Dong. The people of Lam Dong grow tea everywhere: on hillsides, in valleys, in gardens, around fences, etc. In Bao Loc alone, since 1981 the people have planted more than 1,600 hectares and in the 1984-1985 period the state tea sector in the province planted 276 hectares.

In 1986 the Lam Dong tea sector plans to produce 18,000 tons of fresh tea buds, of which 8,300 tons will be purchased from the people, in order to process 3,800 tons of products and set aside 2,200 tons for export.

In the immediate future, the sector will concentrate on investing in the raw materials area. With the slogan "The state and the people work together," it will cooperate closely with th cooperatives and production collectives in planting additional areas and expanding the specialized tea-growing area. In addition to expanding the 2-9 and 28-3 factories the sector will concentrate investment on equipment and machinery, and will change the Cau Dat tea factory over to producing black CTC tea.

5616
CSO: 4209/592

READERS COMPLAIN ABOUT CONTRACTED NORMS, RETIREMENT PAY

Hanoi NHAN DAN in Vietnamese 23 May 86 p 2

[Letters From Readers column: "Assigning of Contracted Norms Not Yet Stable; Deductions From Salaries of Retired People"]

[Text] At the Cao Xa, Ngoc Chau, and Ngoc Van cooperatives in Tan Yen District there are many irrationalities in assigning norms regarding short-term crops and long-term industrial crops.

With regard to tobacco, the cooperative makes the contracting families responsible for nearly all field work. Because they cannot be helped by the cooperatives, many families which are short of capital and labor cannot do their planting on time and their harvests fall short. The cooperatives are not concerned with those difficulties but force the families to turn over products to them in accordance with the contracted norm. Anyone who does not turn over the full amount is recorded as owing a debt and is fined. Those who surpass the contracted norm must sell all of their tobacco to the state organ, but not at negotiated prices. That contracting method does not motivate and encourage cooperative members to intensively cultivate and increase the yields of short-term industrial crops.

Better results can be attained in contracting tobacco if the cooperatives supply seeds, fertilizer, insecticides, and coal to cure the tobacco, ensures draft power and irrigation water on a stable area, and stabilizes the contracted output norm untill the production factors change.

With regard to such long-term industrial crops as tea and tung nuts, the cooperatives should also maintain stable contracted norms based on the growth cycles of each type of crop. Tea plants planted by the branch method and well tended can be harvested for the first time only after 2 or 3 years. Only then should the contracted norm be determined, based on the quality of land and the expenditures per lot. Families are allowed to keep their output beyond the contracted norm, and to sell them at negotiated prices to state commerce. Only that can truly encourage good tending in order to attain increasingly higher yields and quality.

XUONG GIANG
(Ha Bac)

Every time people go to receive salaries or other allowances for retired state workers and civil servants the Retirement Liaison Committee of village T.M. in Tu Liem District, Hanoi, arbitrarily deducts 5 to 10 dong. That money is used as partial reimbursement for people who pay the salaries!

Such deductions from the salaries of retired workers are contrary to the regulations and policies and the that illegal fund has existed for years.

DO THE
(Hanoi)

5616
CSO: 4209/592

EDITORIAL URGES EXPANDING SMALL-SCALE HYDROPOWER NETWORK

Hanoi NHAN DAN in Vietnamese 17 Apr 86 p 1

[Editorial: "Developing Small-Scale Hydroelectric Power"]

[Text] Our country's hydropower resource is extremely abundant. Along with building the large Hoa Binh and Tri An hydroelectric power plants, to accelerate hydropower production with medium, small, and extremely small plants will bring about great benefits in all economic and sociopolitical fields.

Small-scale hydropower production has been developed in many localities like Quang Nam-Da Nang, Cao Bang, Hoang Lien Son, Military Region 1, and Binh Tri Thien and in such sectors as agriculture, forestry, water conservancy, food industry, and so on. From 1981 to 1985, the country as a whole completed the restoration of and built anew 201 small hydroelectric power stations. Many localities have completed maps that determine the hydropower potential and pinpoint suitable locations where it is possible to build new stations early; many sectors and localities have set forth economic and technical arguments for the construction of nearly 70 stations, each having a capacity of 200 kilowatts or more. The prospects for the next 5 years point to the existence of nearly 320 additional hydroelectric power stations operating with capacities several times greater than those of the existing stations.

The results obtained in the movement for development of small-scale hydropower in the localities where conditions are favorable prove that all echelons and sectors are dynamic and creative, have a sense of self-reliance, and aim at getting on-the-spot energy by producing hydroelectricity at the rate of from a few to thousands of kilowatts. The role of small-scale hydropower production, as an immediate possibility, is to satisfy the local need for electrification. The highlands and the units and installations that are far away from the national power network feel an even greater need for fast development of small-scale hydropower production and for linking small hydropower stations into hydropower clusters in different regions, state farms, state forests, new economic zones, and so on.

Although small-scale hydropower production accounts for a very small percentage of the country's total power production, it has brought about very noteworthy benefits and results in favor of local economic, political, social, national defense, and security activities, mostly in remote and isolated areas. Sectors and localities have developed many ways to develop hydropower with great economic results and to quickly put it to use in the spirit of abolishing bureaucratic centralism and state subsidies, developing their combined strength and local potential, and properly carrying out the motto, "The state and people, central and local administrations, provinces and districts, and districts and villages and cooperatives produce small-scale hydropower together." Another important achievement in the development of small-scale hydropower is the fact that the machine industry, both central and local, has reached the capability of making domestic equipment and parts for medium and small hydroelectric power plants and has directly helped to restore, build, and install many small hydropower stations from the North to the South.

In the development of small-scale hydropower, planning remains uncoordinated as sectors and localities pursue their own interests and fail to follow any regional plans, nor to coordinate sources and network, which leads to waste in both construction and use of power--some localities do not have enough power while others produce too much of it. In many cases, surveying, planning, and executing construction plans are not done carefully and meticulously enough, which requires changing plans, doing work over and over again, prolonging the work, and wasteful expending of labor, materials, and raw materials. The quality of some projects and pieces of equipment is not good enough as some power stations have broken down soon after they began to operate. Management remains weak and poor. The localities, sectors, installations, and units that are in the areas where the difference of river and stream water levels is great enough to run the pieces of machinery must have plans for building medium, small, and extremely small hydropower stations. The localities that are producing power with diesel generators, if conditions are favorable, must soon switch to using hydropower, particularly in the case of towns and villages in the highlands. The production installations that process agricultural, forest, and marine products must pay more attention to exploiting their own hydropower resource. Encourage and help villages and families that are near rivers and streams to build hydroelectric power stations producing 1-2 kilowatts of electricity for lighting purposes and making handicraft products. The manufacturing of various kinds of hydroelectrical equipment, such as turbines, generators, and parts, must be divided early and properly between the central and local machine industries.

Now or in the long term we are still unable to satisfy all of our energy needs for our socioeconomic development. To develop small-scale hydropower production is necessary and brings about many realistic benefits and results.

5598
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POWER CORPORATION IMPROVES MANAGEMENT, EXPANDS NETWORK

Hanoi NHAN DAN in Vietnamese 17 Apr 86 p 2

[Article by Pham Thanh and Tran Kham: "Power Line and Station Construction and Installation Corporation 2 (Ministry of Power) Improves Management, Builds Many High-Tension Power Line Networks"]

[Text] In the face of the need to expand power line networks in proportion to power sources, the Power Line and Station Construction and Installation Corporation 2 of the Ministry of Power in recent years cpmpleted the construction of many high-tension power lines in Nam Bo provinces. This has been one of the achievements that show the superior strength of socialism.

In the past, there had been very few high-tension power line networks in the South, mainly in the area of Saigon and its surroundings and in military base complexes, and almost none in the provinces, particularly in the Mekong delta. Following the total liberation of the South, to build new high-tension power lines and large transformer stations having capacities of 110 kilowatts or more became an urgent requirement in the efforts to develop the economy and to improve the standard of living. The corporation, with its great efforts, completed many projects of high quality. Its units, by adhering to construction features, devised many effective working methods. The construction and installation of power lines had to be carried on over long distances without any walls and fences to provide covering and required a lot of labor and hard work, with a combination in various forms of manual labor and machinery, as well as mobility and scattering of labor over various terrains having different weather conditions. The nature of its work required making the management of labor conform with different projects in different locations and at different times in order both to ensure concentrated and unified leadership and to develop the dynamic and creative qualities of all cadres, workers, and production teams and units. In the course of renewing its management, the corporation adopted early the system of paying wages on the basis of unit prices totally assigned to construction and installation units.

After having made many steps in which it learned from experiences, the corporation succeeded in perfecting the unit prices for total assignment of projects and finished products. These are the "total force" unit prices which cover wages, bonuses, expenses being related to wages like compensations for climbing high grounds, diving in deep water, and working in sunny, hot, and harmful environment, and awarding of available material resources; at the same time, it also assigns the expenses involving labor hired from outside, tools used in construction, purchases of cheap things that quickly wear out, additional expenses needed while carrying out the work, and costs of building of temporary storehouses, sheds, and living quarters. The volume of materials necessary for a project is also assigned. The units that accept the assignments will sign contracts for using vehicles and machinery with the motorized transportation units and create favorable conditions for these units to do economic accounting, while ceasing to use their vehicles and machinery in construction projects at any prices. The measure that was taken--to pay wages with unit prices that include all items assigned--not only has boosted the volume of construction and installation by 8-10 times compared to paying daily wages (while the number of workers did not increase) but also has led to labor self-consciousness, a sense of thrift, and voluntary protection of materials, as well as to orderly management, directly and indirectly, in production units.

The effectiveness of this way of assigning work to cover everything has helped to accelerate the construction of the 181-kilometer Thu Duc-Can Tho 230-kilovolt power line, along with the assembly and installation of the Tra Noc 230/115/66-kilovolt transformer station, the backbone of the power network in the Mekong delta.

In addition to the construction of the above-mentioned power line, the project teams also quickly completed the construction of four 110-kilovolt lines--Can Tho-Soc Trang, Vinh Long-Tra Vinh, Rach Gia-Kien Luong, and Bien Hoa-Vung Tau--totaling 273 kilometers in length and of 23 kilometers of the Bien Hoa-Tri An 220-kilovolt line. Recently the corporation has started the construction of the Tri An-Hoc Mon 220-kilovolt line in order to accommodate the Tri An hydropower production by the end of 1987.

On the Bien Hoa-Tri An power line, project unit 2 developed the idea of using bamboo bridges along with mechanized vehicles to erect metal posts and thus was able to shorten the time needed to erect a post from 4 to 1.5 days.

In order to let the construction and installation units work on their own initiative, the corporation adopted the system of decentralized management by using the "corporation-units" pattern, doing away with the intermediate level, or enterprises, and ensuring direct supervision by the corporation director over its units. Along with decentralizing its management, it rearranged the work force in offices, professional sections, and production teams and units, and selected the persons who were capable and had a good sense of responsibility and good health to be in charge of work sites.

The corporation as a whole carried out economic accounting in all its construction-installation and secondary production units as it considered it the key to entering a new period in which work would be done in the direction of economic accounting and the socialist way of doing business. Because it fully recognized that every unit that took part in building the power network was a main-force unit and that all developments and expenses originating from this unit would directly affect the results of the corporation's production and business, the construction-installation units have been reorganized to become streamlined, light, and well-trained; norms have been set anew for labor and the use of materials and raw materials, which would serve as a basis for setting unit prices in making all-inclusive assignments. On the part of the corporation, it tried to ensure complying with contracts by supplying materials, raw materials, and other things necessary for carrying out the construction project. However, the use of materials had to satisfy the norms and quality standards that have been set for a project. To surpass them because of waste would result in making reimbursements to the corporation; on the other hand, if materials were not lost and wasted because of good initiatives, technical improvement, savings in the use of materials, or good storage that would prevent any losses, the corporation would pay an amount of cash equivalent to the value of the materials saved, with the rest of the material resources being put under its management. With such a mechanism, construction-installation units actively assign parts of the work to production teams and calculate by themselves the total expenses at the time of completion, thus properly ensuring the close link between quality of labor and quality of the project, with every unit and every worker being responsible till the end for the quality of the work he has done.

A valuable experience of the Power Line and Station Construction and Installation Corporation 2 was the fact that it provided by itself some materials and raw materials by setting up an enterprise making electrical supports and opening quarries, and achieved economic integration with the locality in the construction and protection of construction projects. The localities where the power line ran through all coordinated their activities with the corporation to ensure construction and protection. For instance, about the construction of the Can Tho-Soc Trang 110-kilovolt power line, although the corporation had encountered very many difficulties in connection with procedures, materials, and capital, the project moved on at the right pace because Hau Giang Province actively contributed labor, materials (cement, gasoline, and oil), and 2 million dong of capital and because Chau Thanh and Phung Hiep Districts and the City of Soc Trang considered the project their own and wholeheartedly assisted the construction-installation units.

Under the terms of assignment contracts, the localities organized on-the-spot labor doing manual work, such as digging foundation, carrying materials from the roadway to the location of posts, erecting sheds and living quarters, and so on. This way of doing the work did not require any increase of staff while raising by 2-3 times the volume of foundation digging and concrete pouring and leaving the technical workers free to concentrate on the work that would require greater technical skills.

The progress of the Power Line and Station Construction and Installation Corporation 2 has been due to the fact that it always assumed the responsibility for providing more power for production and daily life and, on that basis, adopted many forms of management and combined measures to accelerate the pace of construction of the high-tension line network in Nam Bo provinces.

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NEW UNDERGROUND COAL MINE OPENS AT TAN LAP

Hanoi NHAN DAN in Vietnamese 3 May 86 pp 1, 4

[Article: "New Tan Lap Coal Mine Opened"]

[Text] After 8 months of urgent work, essentially completing the warehouse, workshop, and housing area surfaces, receiving 12,000 tons of materials and equipment, digging 2,180 additional meters of mine shafts, installing a scraper conveyor, a troughed belt conveyor, and rail systems to transport the coal from the shaft, the production preparation committee of the new Tan Lap coal mine turned over the mine so that it could begin production. It is a large underground mine in which 185 million dong were invested and which has a capacity of 300,000 tons of coal a year. It was designed and built by a number of units of the Ministry of Mines and Coal. The mine is situated in a hilly area south of Khe Hum and next to the Ha Tu open-pit mine in Quang Ninh. The mine, which has been carefully surveyed and explored, has reserves of about 10 million tons, not counting the coal at the various depth. Although 1986 is the first year it received a plan from the Hon Gai Coal Enterprise Federation, the mine is going out to rationalize its organization, has assigned 675 workers (including 300 miners) to five department, and has formed guidance and professional bureaus and sections that are truly streamlined, and has applied the system of paying salaries based on final output in all aspects. The mine is perfecting the technical factors of two work faces, taking the initiative in producing a vibrating coal graading shoot, and taking positive steps to eliminate soil and rock beginning with the conveyor belt phase in order to improve the quality of coal. In April the Tan Lap mine mined 5,000 tons of commercial grade coal and delivered it to the Cot 5 port. The mine is improving its method of using electricity by replacing six kilovolt lines with three kilovolt lines in order to send coal tractors into the galleries and concentrating on the initial blasting of work face 3+1 in order to stabilize the dialy mining schedule, and is endeavoring to overcome all obstacles of the rainy season to, during the second quarter, produce 12,000 tons of coal and dig 360 meters of stand-by shafts, in order to contribute to meeting the coal needs of the national economic sectors in our country.

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READER COMMENTS ON QUANG NINH COAL MANAGEMENT

Hanoi NHAN DAN in Vietnamese 20 May 86 p 2

[Letters From Readers column: "Attention Should Be Paid To Managing Natural Resources in Quang Ninh Coal Mining Area"]

[Text] A problem very worthy of concern which no organ has effectively resolved is the problem of tightly managing the natural resources of the Quang Ninh coal area.

In addition to the sectors and units fully qualified legally to mine coal, the agricultural cooperatives, handicraft cooperatives, and some enterprises in the "secondary" coal production sector organize coal mining that is not in accordance with regulations. All along the coal belt from Dong Trieu to Mong Duong people take coal improperly. In the future, the fact that coal has been scraped from the coal seam surfaces will create difficulties for technical mining management.

Because exploitation has been haphazard, rules and regulations have not been observed (the only goal as been to obtain much coal) and fatal accidents have been caused. In such districts and cities as Dong Trieu, Uong Bi, Hon Gai, and Cam Pha dozens of tunnel collapses have been caused by arbitrary coal mining by private individuals.

That causes much short-range and long-range harm. I hope that the competent organ will investigate and resolve that problem.

Pham Quang Lien
(Quang Ninh)

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HA TUYEN CEMENT MILL REORGANIZES PRODUCTION

Hanoi NHAN DAN in Vietnamese 4 May 86 p 2

[Article: "Ha Tuyen Cement Mill Reorganizes Production, Increases Output, Improves Quality, and Lowers Production Costs"]

[Text] By mid-April the Ha Tuyen Cement Mill had produced 2,500 tons of cement, 41.7 percent of the annual plan norm. That result was attained because since the beginning of the year the enterprise has reorganized production in all departments and professional offices and sections. The cement department, the enterprise's main department, reduced its work force by 14 percent, 8 to 10 workers per production shift, but labor productivity increased from 10 to 12 tons of cement per shift to 14 to 15 tons. Labor was also rationally reorganized and stabilized and the contracted norm was reduced from four people per 1,000 cubic meters of rock a year to three people. During the first quarter the department produced 3,750 cubic meters of rock, 30 percent of the annual plan norm.

Although it is a local enterprise, the quality of the Ha Tuyen mill's cement did not remain at the P300 level. The quality of many batches of cement was even higher. In 1986 the mill plans to lower production costs by 15.5 percent. During the first 3 months of the year, due to the lowering of the coal use norm, the rational, safe, transportation of coal, and the full utilization of the various kinds of cement packaging bags, the enterprise saved 155,000 dong. By reducing such expenses production costs were lowered by 31.7 percent in comparison to 1985.

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WHITE CEMENT PLANT BEGINS OPERATIONS

Hanoi NHAN DAN in Vietnamese 12 May 86 p 1

[Article: "White Cement Production Plant Brought Into Use"]

[Text] Construction Materials and Construction General Corporation No 2 of the Ministry of Home Trade recently brought into use a white cement production plant with a capacity of 1.5 tons a day to meet the needs for raw materials to produce ornamental bricks, whet stones, pumice stone, and granito rock.

The white cement produced by that plant meets the P300 durability standard and its degree of whiteness is 65 percent. The plant's production line is relatively complete and convenient (it uses vertical coal-fired kilns), so the quality of its white cement is stable.

The general corporation has also produced additional low-grade black cement; has produced a hot-rolling machine with a capacity of 300 tons per year in order to fully utilize scrap steel by forming it into "Phi 8" steel; built a welding rod department with a capacity of 300 kilograms per shift; built four barges with carrying capacities of 250 tons each; and expanded the Duc Hoa baked clay brick and tile producon installation in Long An in preparing to produce earthenware, porcelain, and glazed bricks.

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NHAN DAN EDITORIAL CALLS FOR DEVELOPMENT OF HANDICRAFTS

Hanoi NHAN DAN in Vietnamese 20 May 86 pp 1, 4

[Editorial: "Exploit All Capabilities of Small Industry and Handicrafts"]

[Text] Small industry and handicrafts production plays a very important and long-range role in our country's economy. That economic sector is providing society with more than half of the consumer goods produced in our country and employs nearly 1.6 million workers. The small industry-handicrafts sector is manifesting consciousness of self-reliance, bravely overcoming many difficulties and challenges, and going all-out to maintain and develop production. Developing all existing and potential capabilities of small industry and handicrafts in production, especially in processing agricultural products, forestry products, and aquatic products, and in producing consumer goods and export goods is a mission of great significance.

Along those lines, the small industry-handicrafts sector has launched a campaign to produce many new products, in which the first national small industry-handicrafts traditional skills competition was a useful, practical activity. A large number of production installations, many craftsmen and skilled workers, and many illustrative artists and scientific-technical workers participated and produced more than 6,000 new products, which proved the great capabilities of small industry-handicrafts production and the traditional strengths of the area and village trades and fine creative talents.

The contributions of the small industry-handicrafts sector to the national economy are great and precious. But the fact that the management mechanism regarding the small industry-handicrafts sector has not been renovated has limited the development of the potential of the existing labor, trades, and raw material sources in Vietnam in order to produce consumer and export goods. The concern of the echelons and sectors for small industry and handicrafts has not been adequate, which has prevented the production results of the small industry-handicrafts sector from corresponding to its capabilities. Its material-technical bases are still small, poor, and backward; labor productivity is still low; production costs are high; and the quality of many products is not yet high. The state does not yet have an appropriate management mechanism to fully develop the capabilities and guide the activities of that production sector into the socialist orbit. The parts of a number of policies regarding prices, taxes, credit, investment, etc., which are no longer appropriate to the new situation have not been supplemented and amended.

The (draft) resolution of the Political Bureau on ensuring the right of autonomy of the local economic units in production and commerce points out the direction for ensuring the right of autonomy of the small industry-handicrafts cooperatives in production and commerce. It is a source of inspiration for that collective economic sector.

The cooperatives have many rights and at the same time have great responsibilities. That is a matter of taking the initiative in exploiting all capabilities in order to develop production along the lines of "small industry having to be modern and handicrafts having to be skilled."

In order to contribute positively to stabilizing the economic-social situation and implement Resolution 8 of the Party Central Committee, the small industry-handicrafts sector must reorganize production, which is tied in with the requirement of consolidating and perfecting socialist production relations in each basic unit and rapidly finding all measures to produce many commodity products with high productivity, quality, and effectiveness. The continuation of the emulation movement to "Improve the quality of products, create new items, and develop many new products," and the "spring traditional skills competition" in the localities will encourage the small industry-handicrafts cooperative members to work creatively and develop production, and thereby uncover and select artists and skilled workers, maintain the traditional sectors and trades, and produce new consumer goods and export goods with high artistic and economic value.

It is necessary to rapidly introduce scientific-technical advances into production, draft a research program, and systematically organize technical and artistic management from the upper-echelon management organs down to the basic levels, in order to improve the quality of small industry-handicraft products. In addition to amending the contracting-out amending the contracting-out and state purchasing modes, there must be a policy to suitably compensate craftsmen and skilled workers and a policy to protect the copyrighting of new works and products. Bringing additional well-educated workers into the production installations, continually training workers and improving their trade skills, quickly uncovering and cultivating young craftsmen, endeavoring to study craftsmen rich in experience, and being concerned with the material and cultural lives of workers are tasks which must receive constant attention.

With the guidance and assistance of the echelons and sectors, by developing the collective mastership spirit and enthusiasm of cooperative members in production labor the small industry-handicrafts sector is certain to develop its great capabilities, produce many products for society, and achieve many outstanding accomplishments to celebrate the Sixth Party Congress.

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LIGHT INDUSTRY

VIETNAM

HO CHI MINH CITY COOPERATIVE PRODUCES NEW GLASS PRODUCT

Hanoi NHAN DAN in Vietnamese 20 May 86 p 1

[Article: "Ho Chi Minh City Cooperative Produces 'Accopan' Glass Products From Domestic Raw Materials"]

[Text] The Ngoc Thang chemical cooperative in Binh Thanh District, Ho Chi Minh City, has successfully produced such 'accopan' glass products as opaque milk-white bowls, and pink, white, and light blue tea cups, from Cam Ranh and Ba Ria sand.

With the assistance of the Vinaglaz Glass Factory of the Ministry of Building in building a kiln, the Ngoc Thang cooperative melted dozens of batches of glass from those types of sand and produced effectively. After the two types of sand were mixed with soda and a number of other chemicals, the raw materials were melted in the kiln at a temperature of 1,400 degrees to produce molten glass, which were then formed by machine. Then the mouths of the products were opened, smoothed, and polished, and then inspected.

The "accopan" glass products of the Ngoc Thang cooperative are regarded as important consumer products of Binh Tri Thanh District.

Silicate is also an important product (in addition to "accopan" glass) of the Ngoc Thang cooperative, which accounts for 80 percent of the total value of the city's production of that product. In 1986 Ngoc Thang will produced 2,600 tons of silicate to supply to the Soap Powder Corporation of the South so that it can produce all kinds of soap, to the Hong Gam Textile Combine so that it can bleach and starch cloth, and to the Thu Duc and Tan Mai paper mills so that they can dry paper rolls.

5616
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LABOR

HANOI ECONOMIC ORGANIZATIONS REDUCE INDIRECT LABOR

Hanoi NHAN DAN in Vietnamese 22 Apr 86 p 1

[Article: "In Hanoi Many Installations Reorganize Production, Reduce Indirect Labor"]

[Text] Since the beginning of this year, in the skilled labor emulation movment of workers and civil servants in Hanoi many factories, corporations, and enterprises have taken the initiative in rearranging production, reducing indirect labor, readjusting the norms, eliminating irrational factors in production costs, etc. On that bais, internal accounting has been instituted for production departments and construction units and a system of material responsibility has been instituted in production and commerce.

In the construction sectors, 12 units in the materials production bloc reorganized production and eliminated 18 bureaus and sections and 320 indirect workers, equal to 25 percent of the indirect workers in the past. The units of the construction bloc, such as housing construction units 2 and 3, applied a new form of production organization with two levels--the unit and the corporation--and eliminated the construction site level. In many industrial installations the number of indirect workers is still under 10 percent, such as the Hanoi Leather Shoes Enterprise (6 percent) and the Bridge and Road Machinery Enterprise (8 percent).

During the first quarter, 98 units in the construction, grain, and public health sectors, and a number of colleges, provided employment for 7,245 out of a total of 9,577 redundant workers.

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HANOI STEPS UP POPULATION REDISTRIBUTION

Hanoi NHAN DAN in Vietnamese 7 May 86 p 2

[Article by Vuong Tuoc, Head of the Hanoi New Economic Zone Section: "Hanoi Renovates Working Method, Accelerates Rate of Population Redistribution"]

[Text] Within a 10-year period Hanoi has sent more than 5,700 families, totaling nearly 29,000 people and including more than 16,000 workers, to develop the new economic zones outside the city. But its annual rate of population increase has been between 30,000 and 45,000 people. With such a rate of population increase, despite intensive cultivation and increasing the number of growing seasons, which have increased the city's average rice yield to 62.7 quintals per hectare, many difficulties are still being encountered with regard to grain. Last year Dan Phuong attained a rice yield of 102 quintals per hectare, which led the districts outside the city, but because the average land area is less than 500 square meters per person, the population increase rate, which was 3.58 percent in 1980, declined to 2.28 percent in 1984 and in 1985 was still at the level of 2.03 percent. Therefore, many difficulties are still being en encountered with regard to materials life.

In all, in 1985 the city's population increased by more than 51,000. According to estimates, by 1990, if the rate of population increase declines to 1.1 percent the absolute increase will still be nearly 32,000. At that time, the population of the municipality will be 2,937,000. Furthermore, in the course of expanding the municipality, every year capital construction causes a reduction of nearly 100 hectares of cultivated land. In order to reduce the municipality's economic-social difficulties between now and 1990 it is necessary to send at least 200,000 people beyond its borders. In order to attain that goal, there must be a strong transformation in ideological awareness in the party committee and governmental echelons, from the municipal level down to the basic level, about the necessity for renovating working methods in a manner appropriate to the economic-social characteristics of our country.

Creating New Consciousness

The transfer of labor and population has been taking place for decades. However, in places and at times there has been a lack of concern for supervision and the annual norms have been underfulfilled. In 1985, a year with many transformations in that work, the municipality transferred 1,285 families, with 2,612 workers, to develop the new economic zones. The labor and population transfer mission for 1986 is 3,200 families and 8,400 workers. We believe that that is not only a matter of rapidly increasing number but of also bringing about a strong qualitative change. If the qualitative requirement is not met it will not be possible to bring about economic effectiveness in the new economic zones or to create a seething movement among the people. Some localities and basic units still take the distorted view that although the average per capita land area is 500 to 600 square meters, that will be sufficient for decades to come. Because of that view, the rate of population transfer has stood still.

The economic projects show that the in 1984 the per-capita grain output of Hanoi was 132.2 kilos per year. In 1985 it was only 129.7 kilos and by 1990 it will decline to 119 kilos. The relationship between population and grain production in Hanoi is at an alarming level!

Dan Phuong District, an advanced agricultural unit in the area outside the city, has a rice yield of 102 quintals per hectare, has a corn yield of 40.55 quintals per hectare, raises nearly 20,000 hogs, has an average marketed weight of 80 kilos per hogs, and has many traditional handicraft sectors and trades. But in general its agricultural production results are still far below the local consumption needs. In 1986 Dan Phuong is endeavoring to attain the norm of 34,000 tons of grain in paddy equivalent, so the per capita production level will not exceed 350 kilos. Hoai Duc is also a district with a tradition in intensive cultivation and grain production in general, but its average per capita output in 1985 was only 280 kilos. In some villages the population increase rate was too high. For example, it was 3.45 percent in Duc Giang and Tan Hoa, 3.28 percent in An Thuong, 3.54 percent in Tien Phuong, etc.

The actual situation of production and life shows that the party committee echelons and governmental administration of Hanoi must not only have centralized guidance in order to accelerate the rate of population transfer outside the city, but also must take positive steps to carry out family planning well and urgently lower the rate of natural population increase. The redistribution of labor and population must become an action goal of the party committee.

Hanoi is also a locality with great economic-industrial potential. On the basis of the production direction that has been determined for the economic zones it is necessary to send some industrial workers from the very beginning in order to form an agricultural-industrial structure at an early date, most immediately the agricultural products-food processing industry. The actual situation in the Duc Trong new economic zone (Lam Dong) has shown that in the second year the people produced large amounts of such subsidiary and food crops as alpinia, manioc, sugarcane, corn, etc. Failure to create processing industry installations at an early date will cause the peasants to lose part of their harvest, prevent the fulfillment of the circulation-distribution needs, and thus cause production to stagnate.

Do a Good Job of Preparing for Population Distribution

In coming years the redistribution of Hanoi's population will include both directions: on-the-spot redistribution carried out primarily by the districts and sending people outside the city in accordance with a central-level distribution plan. Difficulties are encountered in studying, surveying, and selecting resettlement areas outside the city for two reasons: first, the area which must be developed must begin all tasks, such as building roads, water conservancy projects, fields, housing, service projects, and public welfare projects; second, except for the labor sent in advance the total forces of a district cannot be mobilized. Therefore, in selecting areas to be developed it is necessary to observe the slogans "do the easy this first and the difficult things later" and "do the nearby things first and the distant things later."

Experience over a period of many years show that the ability of the population-receiving localities to study, survey, and draft economic-technical justifications is very limited. Therefore, Hanoi has concentrated all efforts, including manpower, materials and capital, on locating resettlement areas and collecting the necessary basic information to determine long-range production directions.

Hanoi's new working method is to, immediately after selecting an area, prepare conditions for creating collective economic units, set up village-level administrative units and, if there are conditions for doing so in the future, setting up new districts. Immediately after beginning production in anew economic zone it is necessary to follow the zone's production guidelines, based on the over-all plan of the population-receiving district. Therefore, there must be cooperation between the sending and receiving districts, beginning with the selection of the area, and the order in which the projects serving production and life will be built must be determined. The best way to determine the best areas is to have the heads of households visit them. it is necessary to organize Assault Youth units and make the district the unit which clears wasteland and prepares material bases so that after a few months families can be sent to the new zones. In preparing areas and in the process of transferring population there must be close coordination such relevant sectors as the planning commission and the financial, banking, agricultural, labor, and communications-transportation sectors, so that calculations and appropriate investment must be made in order to concentrate construction and bring the construction projects into use at an early date. At the conclusion of area preparations the population sending and receiving districts must reach agreement in all regards: determining the population areas, determining the order of basic construction projects, balancing the distribution of land for the collective economy with its distributions for the family economy, and gradually forming specialized cultivation areas, especially areas growing such long-term industrial crops as tea, coffee, and rubber. An extremely important task is determining capabilities to supply water and the need for its use in production and life, with priority in investment going to water conservancy projects.

Difficulties That Must Be Overcome

Hanoi employs all three population transfer forms: sending people to develop the state economy, to develop the collective economic zones, and to supplement existing labor. But after discussions were held with the provinces receiving additional labor (including those in the south and in the northern mountain region it was determined that there is sufficient space to send only 150,000 people during the next 5 years. The lack of space to send 50,000 people is a problem the city cannot resolve by itself. The problem must be taken up promptly by the relevant central sectors. In redistributing population locally and sending people out of the municipality have improved only in the districts outside the city. The inner-city wards are still experiencing many difficulties and problems.

The differences in the strengths and trade skills of workers inside and outside the city must be better balanced in the process of redistributing population. Inner-city workers are strong with regard to handicraft trades and trades serving production and life. The party committee and governmental echelons at all levels in the wards and subwards must pay more attention to that matter.

We believe that the best way to redistribute the labor of the inner-city wards is to rely on the Youth Union and organize volunteer Assault Youth units to go to develop the new economic zones. The Hanoi Municipal Youth Union organization has certain experience in organizing and managing such units. Creating favorable conditions so that all youths can have jobs, especially in production, is not only significant economically but is also important in order to do a good job of maintaining political security and social order.

The problem that is posed here is that when sending industrial workers the city can boldly transfer part of the capital for investing in the construction of housing in the city to new economic zones, in order to increase construction capital to serve the lives of some of the workers who are sent. The relevant sectors in the city must promptly take steps to help the wards and districts organize economic alliances between the sending and receiving districts, on the basis of which to step up investment in the construction of material-technical bases to serve production, ensure that both sides benefit, and create a motive force for accelerating the redistribution of labor and population and make it more efficient.

Furthermore, the city must also promptly stipulate the rights and responsibilities of cadres, workers, teachers, public health cadres, etc., with regard to their participation in developing the new economic zones. At the same time, it must make stipulations regarding the rewarding and disciplining of the party committee echelons, governmental administrations, cadres, and party members with regard to the good, or poor, fulfillment of the mission of redistribution of labor and population locally and on a national scale.

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ETHNIC MINORITY PEOPLE ADOPT FIXED CULTIVATION, HABITATION

Hanoi NHAN DAN in Vietnamese 22 May 86 p 1

[Article: "In Ha Tuyen and Song Be Ethnic Minority People Adopt Fixed Cultivation and Habitation, Develop Production"]

[Text] Twenty-one villages in the Hoang Su Phi border district (Ha Tuyen), in which 27,000 ethnic minority people live, are adopting fixed cultivation and habitation. The villages have set up and consolidated nearly 120 cooperatives and organized them into two economic zones. Eight villages in the first zone specialize in the production and intensive cultivation of rice, corn, and tea. The remaining villages, in the second zone, specialize in growing rice, corn, and soybeans.

Because they have cleared wasteland, expanded their area, and built water conservancy projects, the cooperatives have 6,353 hectares of land, plant more than 735 hectares in tea and nearly 747 hectares in soybeans, annually sell to the state hundreds of tons of tea buds and soybeans, and have increased the average per capita grain output to 21 kilos a month. The cooperatives have also built 200 medium and small water conservancy projects so that they can control irrigation on 2,300 hectares, and have planted 600 hectares of forest trees, including nearly 300 hecaters of camellia. They are raising 1,300 water buffaloes, cattle, and horses, 1,400 hogs, and many other kinds of livestock and poultry.

With the slogan "The state and the people work together," the people in the fixed cultivation and habitation areas in the district have contributed to building 177 kilometers of motor roads and local roads to serve production and combat, and have built 94 collective welfare installations. Furthermore, the people have built three sanitation projects--water wells, bath houses, and toilets--planned and developed the hamlets and villages in accordance with the cultured way of life, eliminated bad customs and superstitions, and opposed the enemy's multifaceted war of destruction.

To date, 90 percent of the ethnic minority people in Loc Ninh District, Song Be Province, have adopted fixed cultivation and habitation. The Khmer people in Quyet Thang village have created 200 hectares of one-season wet rice and 40 hectares of two-season rice fields, are raising 280 draft buffaloes, and have increased the average annual grain output to 315 kilos. Quyet Thang village has become one of the province's advanced units. The cooperative is now investing additional capital and labor in growing long-term and short-term industrial crops to create additional sources of export goods.

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POPULATION GROWTH DOWN IN 1985, STILL HIGH

Ho Chi Minh SAIGON GIAI PHONG in Vietnamese 20 Mar 86 pp 1, 4

[Article by DT: "The family planning campaign in our country initially was linked to economic and social development; it helped lower the percentage of population expansion, and substantially reduce the number of women who would give birth to a third child"]

[Text] The National Population and Family Planning Committee reported that in 1985 our country had 1,549,072 births. The population growth percentage was 2.05 percent compared to that of 1984, the decrease was 0.18 percent. Along with the slowed population growth, population structure also changed. The number of those under working age has decreased and that of those of working age has been increasing. The percentage of the working women who would give birth to the third baby conspicuously decreased from 40 or 42 percent in 1979 to 15 or 20 percent in 1985. The number of mothers giving birth to a third child in the whole country decreased from 53 percent in 1979 to 40 percent. The number of persons applying family planning is growing larger and larger. In 1985, there were millions of persons who applied different contraceptive methods.

The campaign revealed progressive examples in provinces and cities such as in Thai Binh, Haiphong, Ho Chi Minh City, Hanoi, Quang Nam, Danang, Nghia Binh, and Tien Giang. Thai Binh, the only province where the population expansion percentage was lowered to 1.55 percent, headed the whole country.

The family planning campaign in our country showed substantial changes. However, the number of girls marrying before age 20 was still high and while the percentage of women who would give birth to the third child onward has decreased the rate of decrease is still slow.

In the Meking delta, coastal delta, and in the highland of central Vietnam, the percentage of women having children early and in large numbers or bearing children at advanced age is still higher than other places.

In general, the family planning campaign developed unevenly. There are still areas where the problem is not getting proper consideration, therefore, the population expansion percentage is still high in Ha Son Binh, Thanh Hoa, Binh Tri Thien, Son La, Lai Chau, Vinh Phu, Thuan Hai, Song Be, An Giang, Hau Giang, Lam Dong, Gia Lai, and Cong Tum.

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BRIEFS

THANH HOA ASSAULT YOUTHS--On 11 April the Ho Chi Minh Communist Youth Union of Thanh Hoa Province organized 1,000 Assault Youth members to set out to develop a new home area in Dac Lac Province. They went to Dac Lac to prepare for larger numbers of workers to follow. Thousands of people in the city of Thanh Hoa, along with a number of leadership cadres of the province and the Youth Union Central Committee, saw off the Assault Youth units with confidence that the Thanh Hoa youths will achieve merit in the new areas. [Text] [Hanoi NHAN DAN in Vietnamese 14 Apr 86 p 1] 5616

DUYEN HAI RADIO STATION--Duyen Hai District (Ho Chi Minh City) has constructed a central wired radio broadcasting station in the town of Can Gio and 16 basic broadcasting stations in all seven villages, thus making a positive contribution to serving the cultural lives of the people in the district, who are concentrated in 20 population centers. [Text] [Hanoi NHAN DAN in Vietnamese 14 Apr 86 p 1] 5616

CSO: 4209/554

SCIENTIFIC-TECHNICAL ASSOCIATION FORMED IN HO CHI MINH CITY

Paris DOAN KET in Vietnamese No 379, Apr 86 p 32

[Article by Nguyen Xuan Oanh: "Professional Activity and Staffs for Leadership"]

[Text] To put it briefly, the Ho Chi Minh City Scientific and Technical Association has two principal missions which are closely interrelated: first, to bring people together in order to organize common activities and work together in a certain "light" form; and second, serving as a staff for leadership. Leadership, of course, has research organs to assist it and serve as its staffs. However, in many instances it is clear that leadership must hear, and wants to hear, "independent" advice, counter-arguments from "outside the state," and bold, truthful opinions. Only if it fulfills that mission outstandingly and effectively can the Association's authority carry any weight and prestige in appealing for people to participate. On the other hand, only if its organization has activities that are attractive, regular, and useful professionally can it retain its members, and only then can its staff work be effective.

Therefore, we can imagine five activity forms the Association could develop:

1. Forums: the association may invite municipal leadership cadres, directors of bureaus and sections, and directors of corporations and enterprises, or speakers who are foreigners, to make reports, raise issues, and give briefings. It may invite economists, managers, and researchers in general to present specialized reports. Within that activity form it may organize symposiums on a number of topics.

2. Library work: the Association will go all-out organize a library which will stress first of all publications that were published during the recent period, in our country and abroad, for research by its members.

3. Publishing: in addition to publishing articles by researchers with an "internal circulation" nature and translations, the Association may request permission to publish a social science journal every 2 months or every month, depending on capabilities and facilities.

4. Training: it may be said that the Association duplicates the work of the schools and institutes, but the experiences of a number of advanced and developing countries show that the schools and institutes cannot satisfy all training requirements of society, and training for society ordinarily has contents and methods that differ from professional and specialized training such as ours. The training program is aimed at people who are now doing actual work, so its contents must be practical, and its methodology must be relatively new and easily understood and easily understood, such as the case study method.

5. Research: thanks to its capability to gather together the leading people and because of the broad extent of its work, the Association can contribute by researching a number of strategic matters as well as a number of specific topics. The Association does not intend to replace the research of the present schools and centers, but clearly it is capable of carrying out parallel research of a number of topics "independently" and comfortably, in order to contribute its own solution.

The Association has the concern and support of the Municipal Party Committee and the Municipal People's Committee. Furthermore, its activities meet its own expenses. The era in which we are living is a commercial era in the good sense of the word. Only commerce can determine the value of services we render for society, and only it can determine actual value, so the society can exist and develop more strongly according to it than by operating in the subsidized manner.

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HO CHI MINH CITY FORMS SCIENTIFIC-TECHNICAL FEDERATION

Paris DOAN KET in Vietnamese No 379, Apr 86 p 31

[Article: "Ho Chi Minh City Sets Up Federation of Scientific and Technical Associations"]

[Text] Gathering together and developing the great potential of the corps of scientific-technical cadres in Ho Chi Minh City is the goal of the Municipal Federation of Scientific and Technical Associations, which held its inaugural congress on 14 January 1986. Mr. Nguyen Van Linh, a member of the Political Bureau of the VCP Central Committee and secretary of the Municipal Party Committee; Mr. Tran Dai Nghia, chairman of the Vietnamese Federation of Scientific and Technical Associations; Mr. Duong Hong Dat, deputy secretary of the State Scientific-Technical Commission; and Nguyen Thien Phuc, chairman of the Hanoi Municipal Scientific-Technical Federation, were in attendance.

At present Ho Chi Minh City has more than 50,000 cadres with post-graduate levels who have been trained in 30 countries all over the world. Although in past years those cadres have made notable contributions, with the old mechanism the city's scientific and technical forces have not fully developed their capabilities. The formation of the Federation of Scientific and Technical Associations was the first step in improving organization that are appropriate to the new requirements of the city's scientists and enable those scientific-technical forces to truly become direct production forces.

The congress elected a provisional executive committee of 56 people, including a 15-member standing committee chaired by Mr. Chu Pham Ngoc Son. As an organization which is a successor to the Patriotic Intellectuals Association, which fulfilled its historic role, the Federation of Scientific and Technical Associations of Ho Chi Minh City is a member of the Vietnamese Federation of Scientific and Technical Associations and a member of the Municipal Fatherland Front.

The Municipal Party Committee Criticizes Itself

On behalf of the Municipal Party Committee, Mr. Nguyen Van Linh appealed for the city's intellectuals to endeavor to apply many more scientific advances to serve life and production, boldly express constructive opinions, and contribute positively to eliminating the bureaucratic centralism-state subsidy mechanism and to changing over to a new working method.

In concluding, Mr. Nguyen Van Linh stressed:

"The Municipal Party Committee would like to criticize itself with regard to eliciting the contributions of intellectuals. Although it has made many all-out efforts in the recent period it has not yet been able to create many good conditions for them to research, experiment, and keep up with the unceasing scientific-technical advances in the world, the system of benefits is not yet appropriate, and the leading intellectuals have not been meticulously cared for. Intellectuals are still experiencing difficulties in their lives. Now and there are still manifestations of an incorrect attitude toward them. We must also add that there is no policy to encourage, and create favorable conditions for, Vietnamese intellectuals to participate in developing science and technology and contribute to developing the Fatherland.

"Self-criticism does not mean that those remaining problems will be eliminated in only a day or two, but we want to say that we realize that some things are not yet good and will endeavor to overcome them as soon as possible. If they are to be overcome, I hope that you will positively contribute opinions to us.

"I recommend that each specialized association in the Federation keep the Municipal Party Committee informed, not only of its accomplishments and contributions but also of its difficulties and obstacles, including the association members' living and working conditions, so that the Municipal Party Committee can study and amend the regulations and policies in an increasingly timely manner and more satisfactorily, under our still-limited conditions at present. Every scientist may send letters directly to us concerning matters of common interest, as well as reporting to us on problems and difficulties in work and life. With a spirit of positiveness and cooperation, I am certain that we will rapidly find a way out."

DOAN KET has published in this issue a speech by the economist Nguyen Xuan Oanh on the occasion of the inaugural congress (from TUOI TRE 28 January 1986) and the thoughts of geologist Tran Kim Thach on Resolution 8, which eliminated the bureaucratic centralism-state subsidy system (DAI DOAN KET 1 January 1986).

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